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ABSTRACT

These hearings of the Select Committee on Children, Youth, and Families mark the end of the hearing stage of the bipartisan child care initiative--the most in-depth congressional look at child care in a decade. Testimony and recommendations were given by representatives of business, labor, education, religious groups, child welfare and women's groups, as well as state and local elected officials, physicians and psychologists, and those who provide nonprofit and proprietary care. Issues specifically addressed included (1) the affordability, availability, and effectiveness of current child care provisions throughout the United States and predictions for future needs and (2) the effect of child care, particularly on young children. Numerous related reports and statements are appended, including a comparison of day care intervention programs of varying quality; an analysis of families' ability to pay for day care services and the impact of current New York State fee schedules on family income; the prepared statement of the Ad Hoc Day Care Coalition; an article entitled "Highlights of Official Child Neglect and Abuse Reporting 1982"; a preliminary report on a nationwide survey of maternity/parental leaves; the prepared statement of the Children's Defense Fund; a paper identifying unspoken assumptions underlying debate in the child care field; a paper discussing work schedules of two-parent earner families and their implications for child care and family life; an experimental study of the effects of employer-sponsored child care services on selected employee behaviors; a policy report on school-age child care; a report on inequities of salary reduction as national child care policy; a discussion of four early stages in the development of mother/infant interaction; and a paper on politics and the child care debate. (RH)

IMPROVING CHILD CARE SERVICES: WHAT CAN BE DONE?

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HEARINGS

BEFORE THE

SELECT COMMITTEE ON CHILDREN, YOUTH, AND FAMILIES HOUSE OF REPRESENTATIVES

NINETY-EIGHTH CONGRESS

SECOND SESSION

HEARINGS HELD IN WASHINGTON, DC, ON SEPTEMBER 5 AND SEPTEMBER 6, 1984

Printed for the use of the
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IMPROVING CHILD CARE SERVICES: WHAT CAN BE DONE?

WEDNESDAY, SEPTEMBER 5, 1984

House of Representatives,
Select Committee on Children, Youth, and Families,
Washington, DC.

The select committee met, pursuant to call, at 9 a.m., in room 2118, Rayburn House Office Building, Hon. George Miller (chairman of the select committee) presiding.

Members present: Representatives Miller, Lehman, Schroeder, Rowland, Anthony, Boxer, Marriott, Coats, Johnson, and McKernan.

Staff present: Ann Rosewater, deputy staff director; Jill Kagan, research assistant; Judy Weiss, research assistant; Christine Elliott-Groves, minority staff director; Carol Statuto, minority professional staff member; and Joan Godley, committee clerk.

Chairman **Miller**. The select committee will come to order.

The hearings today and tomorrow mark the end of the hearing stage of our bipartisan child care initiative. It is our intention to take the testimony and recommendations—the most indepth congressional look at child care in a decade—and summarize them in a report to Congress. The report, which will be issued by the committee before we adjourn, will contain specific policy recommendations designed to improve child care options available to American families.

Our initiative, as well as the three part series in the New York Times this past weekend, and the Newsweek cover story this week, reflect the fact that child care has become a major concern of families from every sector of our society.

Family life has changed dramatically. It is now an accepted part of the American family routine for parents to seek out of home care for children during working and commuting hours.

Furthermore, the profound economic and social changes which have changed our family behavior will continue. They include: the entry of women with children into the work force, the importance of their income to family income, the increasing number of single mothers and the growing number of young, and especially poor children.

With this initiative, Congress is beginning to show the same concern for the kind of child care received by millions of American children—many up to 50 hours each week—as it has for their health and education. Surely child care has become as important to the development and future well being of a child as are education and health care. Surely we can play a positive role in this area, as we have in others.

Parents understand this. That is why they continue to report to us with some urgency the priority they place on finding safe, affordable care for their children. We undertook this initiative with the same urgency, which has only increased in recent months as we have learned of the tragic incidents involving child care services.

That the public agrees with us, indeed is far ahead of us, is also evidenced by the broad spectrum of interests we will hear from today. These are organizations whose members need child care and know the barriers, or whose members actively provide such care. They represent business, labor, educators, religious groups, child welfare, and women's groups, State and local elected officials, physicians and psychologists, and those who provide both nonprofit and proprietary care. They have endorsed our initiative, and are now ready to offer their recommendations about how to improve child care services and policies.

Because of the intense need, because of the incredible support child care can give a family, because of the deep concern members of both parties have that this effort be done thoroughly and impeccably, we have undertaken this comprehensive, bipartisan, national initiative.

I am certain these hearings will be a valuable addition to our record.

[The following was received for the record:]

Opening Statement of Congressman George Miller, a Representative in Congress From the State of California, and Chairman, Select Committee on Children, Youth, and Families, September 5, 1984

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Chairman Miller. At this time I would like to yield to Congressman Coats, the ranking minority member currently present.

Mr. Coats. The only minority member currently present. Thank you, Mr. Chairman.

I think that these 2 days of hearings are going to be extremely important to the committee because we are dealing with an issue that is of great significance and one with many questions as to just what direction we should go and what the role of the Federal Government should be.

I would hope that the committee would address two areas—and I think we probably will—the first being the affordability, the availability, the effectiveness of current child care provisions throughout this country and what the future needs might be.

Second, I would hope that we would focus also and maybe most importantly, on the effect of child care, particularly on our young children.

This committee has heard testimony from a number of experts and witnesses previously on this subject and probably the best conclusion we can come to is that there has been no definite conclusion drawn.

Dr. Brazelton of Children's Hospital in Boston, testified before this committee that the experts are divided on what the effects of child care are on a child's development. Some of this testimony was moving and very gripping about the relationship between the mother and child in the early months. He gave some strong indications of the need for that bond.

Dr. Nicholai reported that a close, warm, sustained and continuous relationship with parents was essential to the emotional, mental, spiritual and other development of a child.

Dr. Rita Kramer indicated that consistent responsive care in the earliest years of life was absolutely essential.

Others testified as to possible links between later teenage suicides and interruptions in earlier child care.

This week as we read the story in Newsweek about the day care, entitled "Who is Minding the Children," it is disturbing to read people like Dr. Burton White from Boston who says a child needs large doses of custom-made love. You can't expect hired help to provide that.

We have testimony in the Newsweek article from Mary Glotty of Children's Hospital in Denver, that says studies indicate day care centers may now be a major source of hepatitus infection. They have traced hemafel flu type B, a leading cause of bacterial menengitis in children and a disease that I can't even pronounce, which is a severe form of diahrrea, as diseases which are turning up at day care facilities.

In light of these reports, the reports of sexual abuse and reports of mothers from around the country—problems they have experienced—it is extremely important that we focus very carefully and very critically on day care, the adequacies of the provision of day care, and most importantly, the effect that it has on our children. I would be happy in these next 2 days of hearings if we can elicit a lot of good testimony that can guide us in making policy decisions in this regard.

Thank you.

Chairman **Miller**. Thank you.

I would like to recognize Congresswoman Schroeder.

Mrs. **Schroeder**. Thank you, Mr. Chairman.

I also want to point out, and I know that the chairman is aware this is National Latchkey Week. The House passed H.R. 4193 on May 14, 1984, which was probably the first child care initiative that the Congress has acted on in the last 10 years. Many of this committee worked very hard on H.R. 4193 which is now awaiting action in the other body. We certainly hope that this focus on latchkey children will help get it out of the other body before we adjourn, because the latchkey child care problem is very critical.

It is very important to talk today about how we can make child care the best possible. I think for a long time both teacher and child care workers salaries have been underpaid. They have been underpaid because we have relied on women to do the majority of it. We all know through pay comparison studies that women earn 49 cents for every dollar earned of men. We were getting a bargain.

We know that we need good, quality day care, but we also know in this country you get what you pay for. How are we going to afford good child care? How are we going to make sure that it is what we need for our children? Because of day care shortages we are not able to say that because it is not good, we are not going to use it any more. Parents have to work. They have to pay the rent. They have to pay the bills. We may wish for a time when it was simpler, because it isn't today.

Because all of these items are interlocked it is very good to have the witnesses here today. I hope we can get on to what we need to do now to bring the quality up, after we have seen the concerns across the country about day care and how its quality is backsliding.

Chairman **Miller**. Congresswoman Boxer of California.

Mrs. **Boxer**. Thank you for holding the hearings. We did have exceptional hearings in San Francisco on this issue of child care. It opened up a lot of eyes in the community. We are living in different economic times than perhaps many of us wish, times when we have to have both parents work. That means that in order to be profamily we must be pro-child care. There is no other way. We cannot force mothers or fathers to sit home with their children although we would love to see that happen.

I know myself that I founded a child care center in my community over 10 years ago for latchkey kids, and it is still working and it is working with the cooperation of the school district and the private sector. There are no Federal funds involved in it. But it is working for one reason: There is a need for it, and we have no question that there is a need. We can't turn the clock back to other days, so if we are profamily, we are pro-child care.

The purpose of this meeting and this hearing is to take a look at how we can do that and what role we can play. Frankly, I think it is absolutely a shame that the Federal Government has done so little. We are sitting back and not doing enough, and I commend our chairman, first of all, because he is the one that got this committee started, and second of all, because he has pushed these hearings, and I look forward to them.

Chairman MILLER. Thank you.

Congressman Roy Rowland of Georgia.

Mr. ROWLAND. Thank you, Mr. Chairman. I commend you also for these hearings.

Mr. Chairman, I have a growing concern about improving child care services, particularly with reference to the abuse of children in day care centers. This seems to be something that we are uncovering more and more frequently and I am wondering just how much of that is going on. So I am going to be interested to see what the testimony will provide us in the way of improving child care services.

Thank you.

Chairman MILLER. Congressman Beryl Anthony of Arkansas.

Mr. ANTHONY. Thank you, Mr. Chairman.

After having done like many of my colleagues, spent a grueling period of time going through my district, I think there is one overriding concern that this committee must clearly establish as a result of these 2 days of hearings. I think contrary to what my colleague from California says, that we can just say that there is an absolute need for, I think we are going to have to prove on the record through credible witnesses and testimony that there is a need out there for child care services. Because if we do not credibly prove that there is a need, I can tell you that we are going to have a hard time getting the constituents to be willing to pay for the costs of the program as we understand it.

We are looking at some of the largest Federal deficits that this country has ever seen projected into the future, which means that we are going to be cutting programs, not putting more money into programs, or we are going to be talking about tax increases. When we are talking about cutting programs and shifting moneys out of one Federal program into another, that means we are going to have to prove beyond a shadow of a doubt credibility and need and the fact that the program can be made workable and there is a social need for this program. Otherwise, I think we fail at the very beginning.

I would just like to close by commending the chairman for, I think, 1½ years of some excellent and beautiful work, Mr. Chairman. Let me tell you that your work has already made its mark in my district. Many people ask me what is going on in the committee as I travel through my district in south Arkansas.

Chairman MILLER. I thank the gentleman for his comments.

The first panel that the select committee will hear from will be composed of the Honorable Thomas H. Cooke, Jr., who is mayor of East Orange, NJ, and the chair of the human development committee of the U.S. Conference of Mayors; the Honorable Jane Maroney, who is a member of the Delaware State House of Representatives and chair of the advisory committee on children and youth of the National Conference of State Legislatures; and the Honorable Diane Ahrens, commissioner of Ramsey County, MN, chair of the human services steering committee, National Association of Counties.

The three witnesses will come forward. The committee would like to welcome you and thank you for taking your time to provide us with your expertise and views and perhaps the means by which we might improve child care services in this country. We understand that you reflect views from levels of government other than Washington.

Mayor Cooke, we will start with you.

STATEMENT OF HON. THOMAS H. COOKE, JR., MAYOR, EAST ORANGE, NJ; CHAIR, HUMAN DEVELOPMENT COMMITTEE, U.S. CONFERENCE OF MAYORS

Mr. COOKE. Thank you very much, Mr. Chairman. I would like to commend you as well as the members of your committee for the fine work you have been doing for taking a progressive step to attack a problem that represents a lot of concern for all of us.

Mr. Chairman and members of the select committee, I am Thomas H. Cooke, Jr., mayor of East Orange and chairman of the human development committee of the U.S. Conference of Mayors. It is a great honor for me to appear before you on behalf of the U.S. Conference of Mayors this morning. Your committee has done an outstanding job during this Congress in raising many of the issues and problems relating to children, families, and youth and in seeking solutions to them.

Our children are our future. Yet when we look at some of the statistics relating to children we must feel shame and disgrace:

One in five American children is poor; one in two black children is poor; and two in five Hispanic children are poor.

Compared to other industrialized nations, the United States has an extremely high infant mortality rate, running 18th in the world, with infant death rates often considerably higher than the national average in some city neighborhoods.

In the last 2 years more than 2.5 million children have fallen below the poverty level; infant mortality has increased in low-income minority neighborhoods; 39 States have reported increases in child abuse, with 14 States reporting increases in child deaths caused by abuse; children have become part of the new poor and are living in cars, rescue missions, and on city streets.

Many of our children face a host of problems including the emergence of hunger, inadequate health care, difficulties in our public education system that have raised numerous concerns about the quality and equality of education in this Nation, and extremely high levels of youth unemployment, with minority youth unemployment even higher.

Recognizing these problems, along with the fragmentation of responsibility in our system for responding to the needs of children, I introduced, and the Conference of Mayors adopted, a resolution at our annual meeting this June that calls for a comprehensive approach by this Nation to the needs of children and their families.

The various Federal policies and programs which impact upon children should be examined. Cuts which have been made in programs benefiting children, such as the school lunch and other child nutrition programs, food stamps, Medicaid, maternal and child health programs, education, social services, and aid to families with dependent children, should be reexamined. Those which have been detrimental to our children should be reversed and funding for those programs which invest in our children's future through preventive, cost effective services should be increased.

Finally, recognizing the substantial impact that city policies, programs, and funding decisions have on children, the resolution states that these actions too should be examined and that we at the local level should take steps to assure that our children are given the best possible opportunity to become independent and productive adults.

The subject of the hearing this morning is child care—a critical factor in economic self-sufficiency for families and in early learning and socialization among children. As early as 1971 the Conference of Mayors recognized the tremendous gap in the number of children whose parent or parents worked and the number of day care placements available. At that time we called for support for a comprehensive range of quality services for preschool children, coordinated by local government.

In 1972 we expanded upon that policy, calling for a comprehensive range of quality, family centered child care services that are available to families and children with economic or other special needs in direct proportion to that need.

In 1980 we recognized that quality child care is a matter of appropriate community concern and should be available at a fee based on a family's ability to pay. We also called for adequate funding by all levels of government and greater flexibility so that funds and services could be better coordinated.

While day care is more readily available today than it was in 1971, we are still far behind in meeting our children's day care needs. According to the children's defense fund, more than one in six American children 13 years of age and under, including many preschoolers, may be going without care. The need for infant care and for after school programs is growing steadily. All of our policy statements are just as relevant today as when they were passed.

Two key issues—financing and quality—stand out in any discussion of national day care policy. Based on the conference's adopted policy, I have several recommendations relating to these two issues to make to this committee:

Funding for the title XX social services block grant should be increased. Title XX is the major direct funding source for day care for low-income families. Funding for the program was cut by 21 percent in 1981, and today is $600 million less than it would have been funded without that cut. Funding for the program has increased by only 8 percent since it was enacted in 1976; prices have increased by 79.1 percent during the same period. A survey done by the Children's Defense Fund of 46 States and the District of Columbia shows that the 21-percent cut triggered equivalent or greater cuts in State child care systems.

Tax policies relating to child care should be more equitable and more beneficial to low and lower middle income families. While the dependent care tax credit is an excellent universal support for child care, it does not significantly improve the purchasing power of low-income families. Other tax incentives which are not necessarily tied to out of pocket expenditures could be more beneficial to lower income families and should be considered.

Day care should be more readily available to low-income mothers in school or in job training programs. Often women in educational or training programs are unable to find adequate day care or are unable to pay for it. Some are concerned that once they go to work they will not be able to continue the child care arrangements they have. State and Federal social services and training policies need to be adjusted to respond to this dilemma.

In particular, child care support should be an eligible training cost under the Job Training Partnership Act and should not have to come out of administrative funds. We are pleased that in its appropriation for the Job Training Partnership Act the House earmarked demonstration funds for innovative child care financed on a matching basis by industry and JTPA funds. Education and job training programs are the key to making many people self-sufficient. The right incentives, not the wrong ones, should be there.

The Federal Government should provide incentives to start up and operate day care for school age children in conjunction with local school systems. It is estimated that as many as 5 to 10 million children may be left home in the early morning and return to empty homes after school. Available, affordable before- and after-school child care could help in responding to this serious problem. H.R. 4193, already passed by the House, could go a long way to solving this problem. We support it and urge immediate Senate action.

The Federal Government should support training and technical assistance efforts to improve the quality of the child care that is available. With adequate assistance State and local governments could do a better job in licensing centers, setting standards, and providing technical assistance to operators. Family day care homes could form support networks. The individuals providing the care could receive training and supervision in their work.

Local agencies and local governments have made substantial efforts to respond to the day care needs of our residents. Many cities have used local tax dollars and community development block grant funds to support day care efforts. San Antonio contributes nearly $1 million a year in local general revenues to day care and yet estimates that little more than one-tenth of the low-income children are served by the combined Federal and local funds available.

My own city of East Orange has used community development block grant funding and local bonds to provide day care and make capital improvements. Our funds are more limited now and the need remains high.

We recognize that assuring that quality child care is available to all those who need it is the shared responsibility of all levels of government, of the private sector, and of parents. We are doing all that we can in cities with the limited funds available to us. We will continue to do all that we can. We need your help, however, to see that the Federal Government exerts the leadership and provides the resources to help us assure that quality child care is available to any family who needs it.

The Conference of Mayors appreciates the opportunity to testify before you on this important issue. I will be happy to answer any questions you might have.

Chairman MILLER. Thank you very much for your testimony.

[Prepared statement of Thomas H. Cooke, Jr., follows:]

PREPARED STATEMENT OF HON. THOMAS H. COOKE, JR., MAYOR OF EAST ORANGE, NJ; CHAIRMAN, HUMAN DEVELOPMENT COMMITTEE, U.S. CONFERENCE OF MAYORS

Mr. Chairman and members of the Select Committee, I am Thomas H. Cooke, Jr., Mayor of East Orange and Chairman of the Human Development Committee of the U.S. Conference of Mayors. It is a great honor for me to appear before you on behalf of the U.S. Conference of Mayors this morning. Your Committee has done an outstanding job during this Congress in raising many of the issues and problems relating to children, families and youth and in seeking solutions to them.

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Compared to other industrialized nations, the United States has an extremely high infant mortality rate, running eighteenth in the world, with infant death rates often considerably higher than the national average in some city neighborhoods.

In the last two years:

More than 2.5 million children have fallen below the poverty level;

Infant mortality has increased in low-income minority neighborhoods;

Thirty-nine states have reported increases in child abuse, with 14 states reporting increases in child deaths caused by abuse.

Children have become part of the "new poor" and are living in cars, rescue missions, and on city streets.

Many of our children face a host of problems including the emergence of hunger, inadequate health care, difficulties in our public education system that have raised numerous concerns about the quality and equality of education in this nation, and extremely high levels of youth unemployment, with minority youth unemployment even higher.

Recognizing these problems, along with the fragmentation of responsibility in our system for responding to the needs of children, I introduced, and the Conference of Mayors adopted, a resolution at our annual meeting this June that calls for a comprehensive approach by this nation to the needs of children and their families. The various federal policies and programs which impact upon children should be examined. Cuts which have been made in programs benefiting children, such as the school lunch and other child nutrition programs, food stamps, Medicaid, maternal and child health programs, education, social services, and Aid to Families with Dependent Children, should be reexamined; those which have been detrimental to our children should be reversed; and funding for those programs which invest in our children's future through preventive, cost effective services should be increased. Finally, recognizing the substantial impact that city policies, programs and funding decisions have on children, the resolution states that these actions too should be examined and that we at the local level should take steps to assure that our children are given the best possible opportunity to become independent and productive adults.

The subject of the hearing this morning is child care—a critical factor in economic self-sufficiency for families and in early learning and socialization among children. As early as 1971 the Conference of Mayors recognized the tremendous gap in the number of children whose parent or parents worked and the number of day care placements available. At that time we called for support for a comprehensive range of quality services for pre-school children, coordinated by local government. In 1972 we expanded upon that policy, calling for a comprehensive range of quality, family-centered child care services that are available to families and children with economic or other special needs in direct proportion to that need. In 1980 we recognized that quality child care is a matter of appropriate community concern and should be available at a fee based on a family's ability to pay. We also called for adequate funding by all levels of government and greater flexibility so that funds and services could be better coordinated.

While day care is more readily available today than it was in 1971, we are still far behind in meeting our children's day care needs. According to the Children's Defense Fund more than one in six American children 13 years of age and under, including many preschoolers, may be going without care. The need for infant care and for after-school programs is growing steadily. All of our policy statements are just as relevant today as when they were passed.

Two key issues—financing and quality—stand out in any discussion of national day care policy. Based on the Conference's adopted policy, I have several recommendations relating to these two issues to make to this committee:

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Thirty-two states are providing Title XX child care to fewer children in 1983 than in 1981 and have cut their Title XX expenditures for child care. Sixteen states have cut Title XX expenditures for child care more than 21 percent.

Thirty-one states have accomplished reductions in the number of children served by making it harder for families to become eligible.

Nineteen states have increased fees for services, imposed minimum fees or allowed co-payments for Title XX child care.

Thirty-three states have lowered their child care standards for Title XX programs.

Clearly funding for Title XX must be increased substantially.

Tax policies relating to child care should be more equitable and more beneficial to low and lower middle income families. While the dependent care tax credit is an excellent universal support for child care, it does not significantly improve the purchasing power of low income families. Other tax incentives which are not necessarily tied to out-of-pocket expenditures could be more beneficial to lower income families and should be considered.

Day care should be more readily available to low income mothers in school or in job training programs. Often women in educational or training programs are unable to find adequate day care or are unable to pay for it. Some are concerned that once they go to work they will not be able to continue the child care arrangements they have. State and federal social services and training policies need to be adjusted to respond to this dilemma. In particular, child care support should be an eligible training cost under the Job Training Partnership Act and should not have to come out of administrative funds. We are pleased that in its appropriation for the Job Training Partnership Act the House earmarked demonstration funds for innovative child care financed on a matching basis by industry and JTPA Funds. Education and job training programs are the key to making many people self-sufficient. The right incentives, not the wrong ones, should be there.

The federal government should provide incentives to start-up and operate day care for school age children in conjunction with local school systems. It is estimated that as many as five to ten million children may be left home in the early morning and return to empty homes after school. Available, affordable before and after school child care could help in responding to this serious problem. H.R. 4193, already passed by the House, could go a long way to solving this problem. We support it and urge immediate Senate action.

The federal government should support training and technical assistance efforts to improve the quality of the child care that is available. With adequate assistance state and local governments could do a better job in licensing centers, setting standards and providing technical assistance to operators. Child care workers need and could be provided training. Family day care homes could form support networks. The individuals providing the care could receive training and supervision in their work.

Local agencies and local governments have made substantial efforts to respond to the day care needs of our residents. Many cities have used local tax dollars and community development block grant funds to support day care efforts. San Antonio contributes nearly $1 million a year in local general revenues to day care and yet estimates that little more than one-tenth of the low income children are served by the combined federal and local funds available. My own city of East Orange has used community development block grant funding and local bonds to provide day care and make capital improvements. Our funds are more limited now and the need remains high.

We recognize that assuring that quality child care is available to all those who need it is the shared responsibility of all levels of government, of the private sector, and of parents. We are doing all that we can in cities with the limited funds available to us. We will continue to do all that we can. We need your help, however, to see that the federal government exerts the leadership and provides the resources to help us assure that quality child care is available to any family who needs it.

The Conference of Mayors appreciates the opportunity to testify before you on this important issue. I will be happy to answer any questions you might have.

Chairman MILLER. Ms. Maroney.

STATEMENT OF HON. JANE MARONEY, MEMBER, DELAWARE STATE HOUSE OF REPRESENTATIVES; CHAIR, ADVISORY COMMITTEE ON CHILDREN AND YOUTH, NATIONAL CONFERENCE OF STATE LEGISLATURES

Ms. MARONEY. Thank you, Mr. Chairman.

Mr. Chairman, and distinguished members of the committee, I am pleased to have this opportunity to present testimony on behalf of the National Conference of State Legislatures on the important issue of child care services. My name is Jane Maroney, State representative from Wilmington, DE. I am chair of the NCSL Advisory Committee on Children and Youth, and a member of the NCSL Human Resources Committee, the committee responsible for the development of NCSL policy in the areas of health, income security, social services, and services to special populations, including children and youth.

I remember with great fondness the opportunity that the Human Resources Committee had within the past couple of years with the distinguished presence of the chairman, Mr. Miller, and of Representative Schroeder, who along with Representative Brown, made a very significant contribution to what has now become recommendations from our advisory committee.

Before sharing my thoughts with you on child care services, I would like to briefly describe the origins of the NCSL Advisory Committee on Children and Youth. The immediate past president of NCSL, Speaker pro tem William Passannante of New York, created the committee in April 1983. The growing national concern about America's children inspired the establishment of State legislative committees on children in numerous States, and the establishment on the national level of the children's caucus in the Senate, and the distinguished committee I am addressing today, the Select Committee on Children, Youth, and Families of the U.S. House of Representatives.

In Delaware, we have a House Youth Services Committee and a Senate Select Committee on Children and Youth Services. During the 1984 session, the Delaware General Assembly created a cabinet level department to provide services to children, youth, and families.

NCSL has a long record of strong support for programs which provide assistance to children. The establishment of the advisory committee reflects a consensus view that a special focus on programs providing assistance to children and their families, as well as national problems affecting children, is desirable and necessary.

The National Governors' Association and the National Association of Counties have also established special committees to address the needs of children and families. The attention of Federal, State, and local elected officials to these issues is vital if we as a nation are to be successful in our efforts to improve the quality of life of children, youth, and families in America. NCSL is pleased to be a part of this joint effort, and believes that hearings such as this one provide an important link between the various levels of government in the development of sound and effective policy.

I would like now to turn specifically to the issue of child care. During the NCSL 10th annual meeting, held recently in Boston, MA, we adopted a child care policy that highlights the need for affordable, quality child care services, and puts NCSL on record supporting efforts to increase the availability of and to improve the quality of child care services.

We also adopted by unanimous consent of the membership seven other policies, a broad-based policy, a comprehensive one describing the problems that each of the separate individual policies would address themselves to, and again, if it is the wish of the committee staff, I will be happy to provide you with those policy recommendations.

[The information follows:]

RESOLUTIONS ADOPTED BY STATE-FEDERAL ASSEMBLY COMMITTEES IN SESSION AT THE NCSL TENTH ANNUAL MEETING, BOSTON, MA, JULY 1984

CONSENT CALENDAR

Agriculture Food Policy and Nutrition

Agricultural Policy in Support of Export Trade
Agricultural Trade
Agriculture Self Help Programs
Federal Support to Individual Farmers
Railroad Rates

Education and Labor

Education Block Grant
Equity and Access in Education
Minority Business Development
Support and Funding of Historically Black Colleges and Universities

Energy

Federal Liability for Transportation and Disposal of High-Level Radioactive Waste
Removal of Price Controls on New and Old Gas

Government Operations

Amending P.L. 86-272: State Taxing Jurisdictions
Managing State and Federal Grant Monies and Programs
National Bellas Hess

Human Resources

Aid to Families with Dependent Children
Alcoholism and Substance Abuse
Budget Cuts in Assistance Programs for Children
Child Abuse
Child Care
Child Health

Food and Nutrition—Child Nutrition
Health Professions Education
Medicaid
Mental Health
NCSL Policy on Children
Refugee and Entrant Assistance

Natural Resources and Environment

Coastal Resources Management
Hazardous Waste Health Effects and Victims' Compensation

Transportation and Communications

Water Transportation

Name of committee: Human Resources
Type of resolution: Consent
Title of resolution: NCSL Policy on Children

Historically, the family has been the social institution charged with the nurturing, educating and directing the development of children. While this is still true today, a growing number of children are now dependent on government to provide assistance in some or all of these areas. As a result of this phenomena, NCSL believes that a strong state-federal partnership and a commitment to long-term planning and support of children within their families is needed.

NCSL supports:

(1) A state-federal partnership in the comprehensive review of all policy, law, budget and programs for children and youth;

(2) The adoption of state and federal practices that enhance the cooperation and coordination of all services to children and youth;

(3) A joint state-federal policy that promotes equal access for all children to adequate health care, housing, education, welfare, and economic security;

(4) The continuation and further development of state and federal law to protect children and their rights.

(5) A continued federal role in reducing the disparity among states in providing assistance and supportive services to children and youth;

(6) The further study of the collective impact and interrelationship of children's needs and problems.

Finally, NCSL recognizes the unique responsibility of the states to legally protect and care for dependent and delinquent children. Within each state, this responsibility is shared by the legislative, judicial, and executive branches of government. Each has a separate and distinct function that is formally defined by the constitution and informally shaped by practice. To strengthen a coordinated state policy, responsive to the well-being of children, NCSL urges the active cooperation between NCSL, the National Council of Juvenile and Family Court Judges, the National Governor's Association, and the National Association of Counties.

Name of committee: Human Resources
Type of resolution: Consent
Title of resolution: Child Care

Due in part to the growing numbers of women participating in the workforce, and the increasing incidence on single parent households, the demand for affordable quality child care has skyrocketed. By 1990, the majority of women with school age children, will be working. For both low and moderate income households, affordable quality child care is essential. Without these services, low and moderate income parents are inhibited from pursuing job training, various employment opportunities, and ultimately economic self-sufficiency, while at the same time providing a safe and healthy environment for their children. Currently, sufficient child care alternatives are not available, and without the concerted effort of all levels of government and the private sector, this shortage is likely to worsen.

To address family needs for child care services, a range of affordable quality child care needs to be available, including center-based, family child care and in-home child care. These child care alternatives must be prepared to provide care for infants, pre-school and school-aged children. Also needed, are information and referral services, 24-hour care, sick care, and respite child care.

NCSL supports all efforts to increase the availability of and improve the quality of child care services. NCSL is particularly supportive of federal legislation which provides grants to establish before and after school day care programs in existing school facilities and in community centers, to public agencies in areas where a shortage of child care services exists. This program addresses the growing problem of "latchkey" children, a problem which NCSL recognizes as an extremely difficult, but important one to address.

Name of committee: Human Resources

Type of resolution: Consent

Title of resolution: Child Abuse

Since 1974, the federal Child Abuse Prevention and Treatment Act has provided funds to state agencies that respond to reports of abuse and neglect, as well as funds for research and demonstration efforts. The National Conference of State Legislatures believes that this federal program should be reauthorized and funded at the levels authorized by Congress. This program is vital in the assistance it provides to states in protecting vulnerable children and families at risk. Further, it is a necessary component of state efforts in the areas of prevention and early intervention.

Child abuse encompasses not only physical abuse, but also includes sexual and emotional abuse, and physical, and nutritional neglect. NCSL believes it important to continue efforts to reduce the growing incidence of child abuse through early identification and treatment, and encourages the integration of federal and state policy and practice in the areas of child abuse, child welfare, and juvenile justice. NCSL recognizes the relationship between child abuse, later juvenile delinquency, and adult crime.

Finally, NCSL believes that it is important to provide a variety of support services to at risk households. Such services could include, when possible, but not be limited to: emergency crisis services, including 24-hour services; in-home services; parent and family counseling; child care services; parent education and employment assistance.

NATIONAL CONFERENCE OF STATE LEGISLATURES,
OFFICE OF STATE FEDERAL RELATIONS,
Washington, DC, September 5, 1984.

Hon. GEORGE MILLER,
Chairman, U.S. House Select Committee on Children, Youth, and Families, House Annex II, Washington, DC.

DEAR CHAIRMAN MILLER: I am honored to have the opportunity to present testimony on behalf of the National Conference of State Legislatures (NCSL) before your committee today. NCSL shares your interest and concern with respect to child-care services and welcomes every opportunity to highlight this issue.

The NCSL and the nation's legislatures share the Select Committee's belief that child-care services must be available to and affordable for all families who need them. While we view child-care services as one of the most important support services needed by families to achieve economic self-sufficiency, we also recognize the value of child-care as an educational and developmental priority for many children who otherwise would miss such important early stimulation.

Currently, states have primary responsibility for child-care services, including program development and regulation. NCSL believes that this is appropriate. States' ability to address this complex issue is, of course, as diverse as the 50 states themselves. We welcome this opportunity to form a partnership to explore further ways to improve child-care services across the country.

Enclosed please find my statement for inclusion in the record. I am particularly pleased to also submit the NCSL policy on child-care. This policy was adopted at the NCSL Tenth Annual Meeting, held July 23–27, 1984 in Boston, Massachusetts.

I commend you on your work with the Select Committee, and look forward to today's hearing. If I can be of further assistance, please contact me at (302) 478-2672; Michele Magri, staff to the NCSL Advisory Committee on Children and Youth, at (303) 292–6600; or Joy Johnson Wilson, Staff Director, NCSL Human Resources Committee, at (202) 737–7004.

Sincerely,

REPRESENTATIVE JANE MARONEY,
Chair, NCSL Advisory Committee on Children and Youth,
Delaware House of Representatives.

NCSL POLICY ON CHILD CARE

Due in part to the growing numbers of women participating in the workforce, and the increasing incidence of single-parent households, the demand for affordable, quality child-care has skyrocketed. By 1990, the majority of women with school-age children, will be working. For both low and moderate income households, affordable, quality child-care is essential. Without these services, low and moderate income parents are inhibited from pursuing job training, various employment opportunities, and ultimately from economic self-sufficiency, while at the same time providing a safe and healthy environment for their children. Currently, sufficient child-care alternatives are not available, and without the concerted effort of all levels of government and the private sector, this shortage is likely to worsen.

To address family needs for child-care services, a range of affordable, quality child-care needs to be available, including center-based, family child-care and in-home child-care. These child-care alternatives must be prepared to provide care for infants, pre-school and school-age children. Also needed, are information and referral services, 24-hour care, sick care and respite care.

NCSL supports all efforts to increase the availability of and to improve the quality of child care services. NCSL is particularly supportive of federal legislation which provides grants to establish before and after school day-care programs in existing school facilities and in community centers in areas where a shortage of child-care services exist. This program addresses the growing problem of "latch key" children, a problem which NCSL recognizes as an extremely difficult, but important one to address.

Adopted July 1984.

Ms. MARONEY. The policy stresses the importance of establishing a variety of child care services and alternatives, including but not limited to child care for children from infant to school age, information and referral services, 24 hour child care services, respite care, and sick care. NCSL also went on record in support of H.R. 1531, which provides grants to establish before- and after-school day care programs in existing school facilities and in community centers, where shortages in child care services exist.

The need for affordable quality child care services transcends gender, race, and socioeconomic status. It is a critical support service which enables parents to work, seek work and/or training opportunities, and ultimately to maintain or obtain economic self-sufficiency. The demand for child care services is skyrocketing, while much of the need goes unmet. Statistics in a recent study prepared by the Congressional Budget Office indicates that the situation is likely to worsen over the next several years unless we, Federal, State, and local elected officials and private sector employers, join hands and work together to address this problem.

My written testimony will address some of those statistics in the CBO study, but I am sure they are more than recognizable to all members of the committee, so I will pass over those remarks. I would like to point out to the members, however, that the issue of child care services was of such importance that the Sunday New York Times this past September 2 edition had an article on the front page of the paper. Yesterday morning, CBS "Morning News" had a very important segment on the diversity of the needs of mothers in this area. Everyday, in every magazine that any one of us picks up, or turns on the radio or television, something deals with this very important issue which is being addressed.

NCSL can document the interest of State legislators on child care issues through the number of requests for information the NCSL Children and Youth Program staff have received over the past year on child care matters. Most frequently, legislators request information on the development of tax incentives for parents, providers, and employers to provide child care services; the development of school age child care programs; and State licensing and standards for child care facilities and personnel. State legislators are particularly interested in addressing the problem of physical and sexual abuse in child care facilities, and innovative ways to encourage the development of a wide variety of more affordable, accessible, high quality child care facilities and services.

In addition to providing technical assistance to State legislatures and responding to requests for information, our Children and Youth Program staff track State legislative initiatives in selected areas, child care services being one of these. During the 1984 State legislative sessions, a number of child care initiatives were considered, and some were enacted.

Rhode Island established a child care pilot program to provide subsidies to employed low-income families who are making the transition from the Aid to Families with Dependent Children Program to unsubsidized employment.

Wisconsin adopted a comprehensive child care law which includes provisions to define day care services; develop rules and standards for day care facilities; and distribute day care funds to counties and families through a voucher system. Voucher programs were also considered by New York and California.

State legislatures are extremely concerned about the growing number of school-age children being left at home alone before and after school—latchkey children. Mr. Chairman, Senator David Roberti, president pro tem of the California State Senate, has taken a lead on this issue in your State. Upon the request of Senator Roberti, the California Legislature's Senate Office of Research prepared a report, "Who's Watching the Children: The Latchkey Child Phenomenon," which describes in some detail the scope of the problem nationwide and in California.

The report also identifies strategies for State legislative action. Currently pending before the California Legislature is a package of legislation designed to address the latchkey children problem. The New York Legislature recently adopted legislation which provides $300,000 in State funds to use school buildings for after school child care. This program is to begin this school year. I expect continued activity within State legislatures across the country on this issue.

A major issue for the 1985 State legislature sessions across the Nation will surely be physical and sexual abuse in child care facilities and ways in which State and local policymakers can help prevent this tragedy. In 1984, New York, California, and South Carolina passed legislation relating to the licensing standards for child care personnel, prohibiting persons with previous records or histories of child abuse or sexual offenses from working in child care facilities.

These are just a few examples of State legislature initiatives. You can see that State legislatures are committed to improving service delivery and expanding child care options for families. At NCSL, we are interested in pursuing a wide range of strategies to expand the availability of child care services, and we are interested in sharing the diversity of State strategies with elected officials and program administrators from all levels of government and representatives of the private sector.

What can be done to generate greater involvement by Federal, State, and local governments, as well as the private sector in the child care arena? NCSL believes that there is a need to enhance State capacity of child care issues through technical assistance and information and research sharing. This will ensure that what is known can be disseminated and that policymakers seeking to develop, maintain, and improve child care services will have access to that information. The child care field is rich in innovative and effectively demonstrated programs. Lacking is a vehicle to share resources and knowledge between Federal, State, and local governments and the private sector. Federal support for technical assistance and information sharing should be enhanced and can play an important role in improving intergovernmental cooperation in the child care area.

NCSL also believes that continued Federal funding for programs that provide needed support to existing child care facilities and programs that provide needed support to existing child care facilities and programs must be continued. These programs would include but not be limited to programs such as the social services block grant and the child care feeding program.

NCSL would not support the reinstatement of a day care set-aside within the social services block grant, especially if such a set-aside was instituted without additional funding. Under such a design, other vital services assisting the same or similarly situated families would be sacrificed.

NCSL is very supportive of the legislation pending before Congress to provide grants to establish before and after school child care programs in existing school and community facilities.

Finally, as followup to this hearing, I believe that a national forum on child care should be convened. A forum to bring together Federal, State, and local policymakers, child care providers, and private sector representatives to discuss substantive policy and to discuss exemplary, innovative child care programs. This forum would give the child care issue the attention it needs and deserves, and would inspire more people both in government and in the private sector to devote more time to the development of innovative child care programs. I encourage the members of this committee to consider this proposal and to adopt it as your own. The NCSL Advisory Committee on Children and Youth would be most happy to provide assistance to you in the development of agenda items and forum materials on State legislature initiatives.

I offer these recommendations based on my work at NCSL and on the work that I have done over the years in the State of Delaware on children's issues. State legislatures are committed to improving the quality of life of the Nation's children and their families and to an intergovernmental and interdisciplinary approach to addressing child care issues. We offer our expertise and assistance to the committee and we look forward to a continued State-Federal partnership on this and other issues affecting children and families.

Let us work together to elevate the issue of child care to the level of visibility it deserves, and let us work cooperatively to share and learn form each other how we can provide affordable, quality child care services to all who need them.

I applaud the committee for this important initiative, and on behalf of State legislators across the Nation, I thank you for this opportunity to share our thoughts with you today.

[Prepared statement of Jane Maroney follows:]

Prepared Statement of Hon. Jane Maroney, Member, Delaware State House of Representatives; Chair, NCSL Advisory Committee for Children and Youth

Mr. Chairman, and distinguished Members of the Committee, I am pleased to have this opportunity to present testimony on behalf of the National Conference of State Legislatures (NCSL) on the important issue of child-care services. My name is Jane Maroney, State Representative from Wilmington, DE. I am Chair of the NCSL Advisory Committee on Children and Youth, and member of the NCSL Human Resources Committee, the committee responsible for the development of NCSL policy in the areas of health, income security, social services and services to special populations, inlcuding children and youth.

Before sharing my thoughts with you on child-care services, I would like to briefly describe the origins of the NCSL Advisory Committee on Children and Youth. The immediate past president of NCSL, Speaker Pro Tem William Passannante of New York, created the committee in April, 1983. The growing national concern about America's children inspired the establishment on the national level of the Children's Caucus in the Senate, and the distinguished committee I am addressing today, the Select Committee on Children, Youth and Families of the U.S. House of Representatives. In Delaware, we have a House Youth Services Committee and a Senate Select Committee on Children and Youth Services. During the 1984 legislative session, the Delaware General Assembly created a cabinet level department to provide services to children, youth and families.

NCSL has a long record of strong support for programs which provide assistance to children. The establishment of the Advisory Committee reflects a consensus view that a special focus on programs providing assistance to children and their families, as well as national problems affecting children, is desirable and necessary. The National Governors' Association (NGA) and the National Association of Counties (NACO) have also established special committees to address the needs of children and families. The attention of Federal, State and local elected officials to these issues is vital if, we, as a Nation, are to be successful in our efforts to improve the quality of life of children, youth, and families in America. NCSL is pleased to be a part of this joint effort, and believes that hearings such as this one provide an important link between the various levels of government in the development of sound and effective policy.

I would like now to turn, specifically, to the issue of child-care. During the NCSL Tenth Annual Meeting, held recently in Boston, MA, we adopted a child-care policy that highlights the need for affordable, quality child-care services, and puts NCSL on record supporting efforts to increase the availability of and to improve the quality of child-care services. The policy stresses the importance of establishing a variety of child-care services and alternatives, including but not limited to: child-care for children from infant to school age, information and referral services, 24-hour child-care services, respite care and sick care. NCSL also went on record in support of H.R. 1531, which provides grants to establish before and after school day-care programs in existing school facilities and in community centers, where shortages in child care services exist.

The need for affordable, quality child-care services transcends gender, race, and socio/economic status. It is a critical support service which enables parents to work, seek work and/or training opportunities, and ultimately to maintain or obtain economic self-sufficiency. The demand for child-care services is skyrocketing, while much of the need goes unmet. Statistics in a recent study prepared by the Congressional Budget Office (CBO) indicates that the situation is likely to worsen over the next several years unless we, Federal, State and local elected officials and private sector employers join hands and work together to address this problem.

According to the CBO study, during the 1980's, the number of children is expected to grow by 4.8 million, 3.4 million of which will be under age 6. The number of single-parent households, primarily female-headed households, is expected to continue to increase, while at the same time, the number of women working outside the home, particularly women with children, is expected to rise as well. There is expected to be a 57-percent increase between 1980 and 1990 in the number of children in female-headed households where the mother is working outside the home.

Traditionally, the poverty rate among female-headed households with children has been high. There is no expectation that this trend will change significantly over the next decade. Without adequate child-care services, services which would permit these women to take advantage of employment and training opportunities, these households are likely to remain in poverty indefinitely, continuing a cycle of poverty.

While the availability of adequate child-care services is critical to low-income and female-headed households, it is becoming increasingly important to two-parent households as well. The number of working women with children under age six, in two-parent households is expected to increase from 45 percent in 1980, to 55 percent in 1990. The number of women in two-parent households working outside the home with school-aged children is expected to rise from 62 percent in 1980, to 70 percent in 1990. The above statistics may suggest why there is a growing interest in the day-care issue among fathers and among human resources personnel in major corporations and small businesses, nationwide. The growth in both the number of children and the number of women with children in the workforce would seem to indicate that the demand for day-care services we are experiencing now across the Nation is but a sample of the demand we will experience in the coming years. Also important, in my view, is the role quality child-care services can play in the prevention of child abuse and in the social and educational development of children.

NCSL can document the interest of State legislators on child-care issues through the number of requests for information the NCSL Children and Youth Program staff have received over the past year on child-care matters. Most frequently, legislators request information on the development of tax incentives for parents, providers, and employers to provide child-care services; the development of school-age child-care programs; and State licensing and standards for child-care facilities and personnel. State legislators are particularly interested in addressing the problem of physical and sexual abuse in child-care facilities, and innovative ways to encourage the development of a wide variety of more affordable, accessible, high quality child-care facilities and services.

In addition to providing technical assistance to state legislatures and responding to requests for information, our Children and Youth Program staff track state legislative initiatives in selected areas, child-care services being one of these. During the 1984 State legislative sessions, a number of child-care initiatives were considered, and some were enacted. Rhode Island established a child-care pilot program to provided subsidies to employed low income families who are making the transition from the Aid to Families with Dependent Children (AFDC) program to unsubsidized employment. Wisconsin adopted a comprehensive child-care law which includes provisions to: define day-care services; develop rules and standards for day-care facilities; and distribute day-care funds to counties and families through a voucher system. Voucher programs were also considered by New York and California.

State legislatures are extremely concerned about the growing number of school-age children being left at home alone before and after school, latch key children. Mr. Chairman, Senator David Roberti, President Pro Tem of the California State Senate, has taken a lead on this issue in your State. Upon the request of Senator Roberti, the California Legislature's Senate office of research prepared a report, "Who's Watching our Children: The Latchkey Child Phenomenon," which describes, in some detail, the scope of the problem, nationwide, and in California. The report also identifies strategies for State legislative action. Currently pending before the California Legislature is a package of legislation designed to address the latch key children problem. The New York Legislature recently adopted legislation which provides $300,000 in State funds to use school buildings for after school child-care. This program is to begin this school year. I expect continued activity within State legislatures across the country on this issue.

A major issue for the 1985 State legislative sessions across the Nation will surely be physical and sexual abuse in child-care facilities and ways in which State and local policymakers can help prevent this tragedy. In 1984, New York, California, and South Carolina passed legislation relating to the licensing standards for child-care personnel, prohibiting persons with previous records or histories of child abuse or sexual offenses from working in child-care facilities.

These are just a few examples of State legislative initiatives. You can see that State legislatures are committed to improving service delivery and expanding child-care options for families. At NCSL, we are interested in pursuing a wide range of strategies to expand the availibility of child-care services, and we are interested in sharing the diversity of State strategies with elected officials and program administrators from all levels of government and representatives of the private sector.

What can be done to generate greater involvement by Federal, State, and local governments, as well as the private sector, in the child-care arena? NCSL believes that there is a need to enhance State capacity on child-care issues through technical assistance and information and research sharing. This will ensure that what is known can be disseminated and that policymakers seeking to develop, maintain and improve child-care services will have access to that information. The child-care field is rich in innovative and effectively demonstrated programs. Lacking is a vehicle to share resources and knowledge between Federal State, and local governments and the private sector. Federal support for technical assistance and information sharing should be enhanced and can play an important role in improving intergovernmental cooperation in the child-care area.

NCSL, also believes that continued Federal funding for programs that provide needed support to existing child-care facilities and programs must be continued. These programs would include, but not be limited to, programs such as the Social Services Block Grant and the Child Care Feeding Program. NCSL would not support the reinstatement of a daycare set-aside within the Social Services Block Grant, especially if such a set-aside was instituted without additional funding. Under such a design, other vital services assisting the same or similarly situated families would be sacrificed. NCSL is very supportive of the legislation pending before Congress to provide grants to establish before and after school child-care programs in existing school and community facilities.

Finally, as follow-up to this hearing, I believe that a national forum on child-care should be convened. A forum to bring together Federal, State, and local policymakers, child-care providers, and private sector representatives to discuss substantive policy and to discuss exemplary innovative child-care programs. This forum would give the child-care issue the attention it needs and deserves, and would inspire more people both in government and in the private sector to devote more time to the development of innovative child-care programs. I encourage the members of this committee to consider this proposal and to adopt it as your own. The NCSL Advisory Committee on Children and Youth would be most happy to provide assistance to you in the development of agenda items and forum materials on state legislative initiatives.

I offer these recommendations based on my work at NCSL and on the work that I have done over the years in the State of Delaware on children's issues. State legislatures are committed to improving the quality of life of the Nation's children and their families and to an intergovernmental and interdisciplinary approach to addressing child-care issues. We offer our expertise and assistance to the committee and we look forward to a continued State-Federal partnership on this and other issues affecting children and families.

Let us work together to elevate the issue of child-care to the level of visibility it deserves, and let us work cooperatively to share and learn from each other how we can provide affordable, quality child-care services,to all who need them.

I applaud the committee for this important initiative, and on behalf of state legislators across the Nation, I thank you for this opportunity to share our thoughts with you today.

Chairman MILLER. Thank you.

Commissioner Ahrens.

STATEMENT OF DIANE AHRENS, COMMISSIONER, RAMSEY COUNTY, MN; CHAIR, HUMAN SERVICES STEERING COMMITTEE, NATIONAL ASSOCIATION OF COUNTIES

Ms. AHRENS. Mr. Chairman and members of the select committee, I am Diane Ahrens, a member of the Ramsey County Board of Commissioners, Minnesota. I am here on behalf of the National Association of Counties, as chair of the Human Services Steering Committee. I am accompanied by Patricia Johnson Craig, NACo's director of human resources.

Chairman Miller, in calling this hearing on child care, you bring before us an issue that is of vital importance to all parents, professionals, citizens and public officials. For the sake of brevity, I want to simply try to highlight the particular issues that impact on poor families.

County officials, as elected representatives close to the people on their issues, welcome a national focus on child care issues. At the local level, we operate a broad network of services to ensure the well-being of America's children and to assist their parents in providing economic security.

The American county platform adopted by NACo's membership sets forth child care policies that recognize that the majority of mothers with young children are employed during at least a portion of the child's early years.

Our platform calls for a variety of child care settings to be available in our communities so that parents can select the type of care best suited to the child and the family's circumstances.

Child care resources are often the critical link in the network of children's services, spelling for many families the difference between economic security and dependence on public assistance. Since we believe it is better for people to work than to rely on welfare, if they are able to work, NACo supports welfare policies that encourage and enable parents to work. Especially for the low income parents expected to work if able, child care resources within the two Federal job training programs targeted to welfare recipients need to be beefed up—WIN, the AFDC Work Incentive Program; and JTPA, the Job Training Partnership Act.

We support continuing WIN at least at its current level, since it is the only job opportunities program specifically for welfare mothers. Too often, WIN resources are reserved for candidates without child care needs because of the limited funding available. More young parents could participate in the WIN training if child care was guaranteed through other resources, or if WIN funding was expanded to allow for more child care.

The Job Training Partnership Act, while specifying welfare recipients as a target group for service, allows such a limited setaside for support services that mothers who need child care payments are not likely to be served. NACo supports increased Federal allocations for the WIN and JTPA training programs that will allow payment for child care needs, independent of the title XX social services block grant appropriation. There are too many other social services demands on the block grant to expect it to be the primary vehicle for meeting child care needs to low income working parents.

Publicly supported child care resources need to be available for children and families with special needs. These should be provided as part of a social services plan, using the title XX funds, crippled children's services, or other specially targeted funds.

Mr. Chairman, I am sure you will agree that one of the most successful social programs is the Head Start Program. Our association is completing a project funded by the Administration for Children, Youth and Families that helps county offcals and Head Start agencies coordinate the services they provide to children and their families. One focus of the project is to look at Head Start and child care needs. Since Head Start requires active parent participation, it affords opportunities that encourage parents to move into employment but does not provide day care.

Santa Clara County and Orange County, CA, are two examples of creative and effective approaches. Santa Clara County coordinated its Head Start, day care services, and employment training to meet the needs of parents who previously could not enter job training because of lack of child care. By receiving day care and Head Start at the same site, parents are able to engage in job training, free from a part day schedule, transportation problems and prohibitive costs.

Orange County initiated an intergovernmental child care training program in the Head Start Center, utilizing WIN training funds and title V Older Americans Act funds to pay for the training. The program enabled the center to accept more children and provided child care training for 28 mothers and older workers.

As local officials, we will continue to encourage cooperative arrangements that expand child care resources for Head Start youngsters and their siblings. We support increased funding for Head Start in the measures that are currently before Congress. Despite the success of Head Start, less than 20 percent of the children eligible are being served. In many counties, Head Start Programs do not exist. Priority should be given to establishing new Head Start Programs where there are no such resources.

These are examples of how we need to continue stretching Federal and local resources at the community level. NACo also supports Federal initiatives pending before Congress which will stimulate local coordination of services—the school facilities child care bill and the child care information and referral bill. We urge the Congress to complete these before adjourning.

Other initiatives that we believe will help expand child care resources include:

Revising the AFDC earnings disregard formula to deduct the child care allowance after the 30 plus one-third incentive is deducted.

Expanding the dependent care tax credit and making it refundable for families with income below the income tax threshold.

Restoring the social services block grant to its pre-OBRA authorization level of $3 billion, and adjusting the block grant annually to keep pace with inflation.

Special attention in child care policy and resources to the needs of adolescent parents and infant care.

Mr. Chairman, the remainder of my statement provides some detail on these issues, and I will submit it for the record.

In closing, I want to commend the select committee for addressing this vital child care issue and to encourage you in aggressively pursuing solutions that will be identified in your deliberations. A strong Federal leadership role will assist county and State officials in assuring the right of America's children and their parents to safe and affordable child care.

[Prepared statement of Diane Ahrens follows:]

Prepared Statement of Diane Ahrens, Commissioner, Ramsey County, MN; Chair, Human Services Steering Committee, National Association of Counties

Mr. Chairman, members of the select committee, I am Diane Ahrens, a member of the Ramsey County Board of Commissioners, MN. I am here on behalf of the National Association of Counties,[1] as chair of the human services steering committee. I am accompaned by Patricia Johnson Craig, NACo's director of human resources.

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[1] The National Association of Counties is the only national organization representing county government in the United States. Through its membership, urban, suburban, and rural counties join together to build effective, responsive county government. The goals of the organization are to: improve county government; serve as the national voice of county government; act as a liaison between the nation's counties and other levels of government, achieve public understanding of the role of counties in the federal system.

Chairman Miller, in calling this hearing on child care, you bring before us an issue that is of vital importance to all parents, professionals, citizens and public officials.

County officials, as elected representatives close to the people and their issues, welcome a national focus on child care issues. At the local level, we operate a broad network of services to ensure the well-being of America's children and to assist their parents in providing economic security.

The American county platform adopted by NACo's membership sets forth child care policies that recognize that the majority of mothers with young children are employed during at least a portion of the child's early years.

Our platform calls for a variety of child care settings to be available in our communities, so that parents can select the type of care best suited to the child and the family's circumstances. These resources should include in-home; neighborhood family day care; early childhood education; and extended-day, after-school care.

Our national, State, and local policies should continue to support families' freedom to make use of child care through tax credits, licensing and monitoring of facilities and caretakers, information and referral, and assistance in selecting appropriate care. These basic public resources should be available to the entire community without regard to financial resources.

Child care resources are often the critical link in the network of children's services, spelling for many families the difference between economic security and dependence on public assistance. Since we believe it is better for people to work than to rely on welfare, if they are able to work, NACo supports welfare policies that encourage and enable parents to work. If welfare recipients are to work their way off assistance, they may require substantial public support of child care resources and funding. For these low-income families, we support a full range of work incentives through the AFDC earnings disregard and adequate child care deductions, especially where child care subsidy is not available through the title XX block grant or other sources. The investment made in providing adequate, affordable child care while the child is young will pay off in reduced welfare benefits and eventual self-support by the family.

Especially for the low-income parents expected to work if able, child care resources within the two Federal job training programs targeted to welfare recipients need to be beefed up—WIN (the AFDC work incentive program), and JTPA (the Job Training Partnership Act).

We support continuing WIN at least at its current level, since it is the only job opportunities program specifically for welfare mothers. Too often, WIN resources are reserved for candidates without child care needs, because of the limited funding available. More young parents could participate in the WIN training if child care was guaranteed through other resources, or if WIN funding was expanded to allow for more child care.

The Job Training Partnership Act, while specifying welfare recipients as a target group for service, allows such a limited set-aside for support services that mothers who need child care payments are not likely to be served. NACo supports increased Federal allocations for the WIN and JTPA training programs that will allow payment for child care needs, independent of the title XX social services block grant appropriation. There are too many other social services demands on the block grant to expect it to be the primary vehicle for meeting child care needs for low-income, working parents.

Publicly supported child care resources need to be available for children and families with special needs. These should be provided as part of a social services plan, using the title XX funds, crippled children's services, or other specially targeted funds.

Mr. Chairman, I'm sure you will agree that one of the most successful social programs is the Head Start Program. Our association is completing a project funded by the Administration for Children, Youth, and Families that helps county officials and Head Start agencies coordinate the services they provide to children and their families. One focus of the project is to look at Head Start and child care needs. Since Head Start requires active parent participation, it affords opportunities that encourage parents to move into employment, but does not provide day care. Santa Clara County and Orange County (California) are two examples of creative and effective approaches.

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Other initiatives that we believe will help expand child care resources include:

Revising the AFDC earnings disregard formula to deduct the child care allowance after the 30 plus one third incentive is deducted;

Expanding the dependent-care tax credit and making it refundable for families with income below the income tax threshold;

Restoring the social services block grant to its pre-OBRA authorization level of $3 billion, and adjusting the block grant annually to keep pace with inflation;

Special attention in child care policy and resources to the needs of adolescent parents and infant care.

Mr. Chairman, the remainder of my statement provides some detail on these issues, and I will submit it for the record.

In closing, I want to commend the select committee for addressing this vital child care issue and to encourage you in aggressively pursuing solutions that will be identified in your deliberations. A strong Federal leadership role will assist county and State officials in assuring the right of America's children and their parents to safe and affordable child care.

Title XX—Social services block grant

This important block grant forms the cornerstone for all social services that counties provide at the local level, including child care for low-income families. Prior to the OBRA budget cut, more than 20 percent of title XX funds went to child care through reimbursements to child care providers or child care vouchers to families. The child care slots provided by title XX funds are essential to low-income mothers who are working or in training programs preparing them to work. The 21-percent cut that was enacted in 1981 had an immediate and alarming impact on child care.

In Ramsey County, MN, we saw a 36 percent reduction in social service funding. The reduction in title XX, coupled with an 18 percent levy limitation imposed by the State, resulted in the cancellation of 22 contracts and 76 more being reduced substantially. The loss amounted to over $2 million. Many valuable child caring programs such as the certification of in-home child care providers, planning and coordination for child care, child day care training for providers, child care facilities act grants, services to unwed parents, legal assistance, the Wilder Program at the Eisenmenger Learning Center, and Community support groups were lost to our county.

Increasing this block grant to the $3.1 billion level established prior to OBRA would target valuable new child care resources to families. Some other areas where the block grant affected child care include:

Philadelphia County, PA, saw its social services block grant funding reduced from $24.7 million in 1979–80 to $16.4 million in 1981–82. As a result, the county had to eliminate its child care program for latch key children as well as its recreation and camping program for needy school children.

The New York State Child Care Coordinating Council said 12,000 less children received day care purchased by social services in New York State in fiscal year 1983 than in fiscal year 1981.

Counties in South Carolina have had to implement a policy allowing children needing protective services to bump children of working parents out of child care programs.

In a period where the need for child care is growing, particularly among families in poverty, it is critical that funding be restored to the social services block grant. We strongly support the full restoration of social services block grant funding and adjustments to keep pace with inflation. This would target additional child care resources to many needy families striving to become self-sufficient.

AFDC Title IV—A child care disregard

We are very concerned about some distinct disincentives to work which were built into the AFDC Program as a part of the 1981 changes. These include the unrealistic cap for day care and work-related expenses. Under the Title IV–Disregard, families are limited to a maximum child care disregard of only $160 per child per month regardless of the cost of the care. Because the actual costs of quality child care may be much greater, the families' child care needs will be competing with other basic needs such as food, clothing and adequate housing. Additionally, under Title IV–A, families must pay for child care out-of-pocket and reimbursement is not reflected until the next month's check.

Finally, the child care disregard is subtracted from the family's earned income before the $30 and one-third disregard is calculated, thus lowering the disregard.

The limits on child care payments combined with other AFDC rules such as linking medical assistance with AFDC, limiting the $30 and one-third earnings disregard to 4 months and the 100-hour work rule for two parent AFDC families, all provide strong disincentives to work. In Ramsey County, we are finding that AFDC parents hesitate to take the risks of employment because the potential losses for their family are too great.

Child care for job training participants

Lack of child care stands out as a costly barrier to those individuals seeking employment training opportunities through such programs as the Job Training Partnership Act and the AFDC—Work Incentive Program. Federal or State programs which provide training for recipients with young children must include payment for child care needs outside the title XX appropriation.

Under the Job Training Partnership Act, a service delivery area can spend only 30 percent of its budget on administrative and support services. Typically, no more than 15 percent of an SDA's total budget allocation goes to important support services for job training participants such as child care and transportation. Thus, very limited resources are available to support the needs of those who might benefit most from the job training such as single unskilled women with children.

NACo supports an increased Federal allocation that takes into account the child care and other support needs of participants.

Dependent-care tax credit

The dependent-care tax credit provides a tax credit for a portion of a family's expenses for day care for children under 15 and physicially or mentally incapacitated individuals. This tax credit could be better targeted to low-income individuals by making it a refundable tax credit. Currently, many families who do not earn enough income to pay taxes are unable to benefit from the credit despite the fact that they may have substantial child care costs.

We strongly support continuation of this credit and urge that Congress consider making it refundable, like the earned income tax credit.

After shool child care

The need for day care for young school-aged children before and after school and during school holidays and vactions is a problem that has only recently received attention. "Latchkey" children are at risk for accidents and abuse by other children and adults. At present, only slightly more than 100 of the 15,000 public school systems nationwide provide some sort of child care during before and after school hours.

NACo supports measures currently before the Congress which would authorize a modest sum of money to increase the availability of after-school child care programs in schools and other community facilities. NACo supports the bill passed by the House which requires projects to have sliding fees for low-income families.

Use of public school facilities as child care sites may benefit the many working parents who cannot leave their jobs during the day to accompany their children from school to child care facilities. The School Facilities Child Care Act will help to provide a continuum of child care services for children age 5–13.

Child care information referral

NACo also supports the House-passed legislation which would authorize funds to local agencies to establish and operate community based information and referral centers. Without information and referral services, families are often unaware of the child care options that are available to them and suitable to their needs. NACo hopes that Congress will move toward final enactment of this legislation.

Adolescent parents

During the past year, NACo's human services steering committee, which I chair, chose to concentrate primarily on child and family issues. County officials participating in our meetings and two symposiums on children indentified teenage pregnancy and adolescent parenting as an issue of major concentration. We feel that child care policies and programs need to make special efforts for this group that is growing alarmingly. We recommend an intensive social services approach, that combines child care with job training or continuing education for the young parent. Our members find that there is a special need for child care resources for infants, not only for these young parents, but across the board.

Chairman MILLER. Thank you.

Before we go to questioning, I would like to recognize the presence of three additional members of the committee, Congressman Dan Marriott of Utah, ranking minority member; Congresswoman Nancy Johnson of Connecticut; and Congressman McKernan of Maine.

If any of you have an opening statement, we would be happy to receive it at this moment, if you would like.

Mr. MARRIOTT. I would like to submit my opening statement for the record and will not belabor the issue.

CHAIRMAN MILLER. Thank you.

[Opening statement of Congressman Dan Marriott follows:]

OPENING STATEMENT OF HON. DAN MARRIOTT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Good morning and welcome to all of our witnesses. These are ambitious hearings—a reflection of the important task policy makers face in formulating effective policies that support families in their child rearing.

Much of this committee's discussion has focused on the need for care and some of the issues involved in providing group and centerbased care and group family day care. We know that the majority of care is provided by other family members. We recognize the importance of ensuring options for families.

Most importantly, today we will look to a topic that should be foremost in everyone's minds—what is the effect of day care on children? Only by knowing that can we begin to develop those policies that best support the needs of our nation's families and their children. This morning's third panel will provide us with valuable information as we try to answer this vital question.

Because of the very nature of this committee, we must address the question of federal involvement in day care. This discussion, in the proper context, must face the reality of government deficits. We can neither ignore deficits, nor wish them away; we must take them into account in all our discussions of policy making.

We must work in partnership with state and local governments and employers. Today we will hear from Governor Kean of the National Governors Association, Mayor Cooke of the Conference of Mayors, State Representative Maroney of the National Conference of State Legislators, and Commissioner Ahrens of the National Association of Counties as they address child care policy making from their vantage point.

One of the most important players in this discussion is the employer. And, over the next two days we plan to hear from the White House Office of Private Sector Initiatives about their work with the business community, and from Professor Deanna Tate of Texas Women's University. I have reviewed Professor Tate's testimony and am pleased with impressive cost-benefit analyses she provides in looking at the bottom-line for employers. We need to get the word out to employers that day care assistance is good business policy.

Further, much of this committee's discussion is often narrowed to a cut-and-dried discussion of children with all parents in paid employment outside the home. When rather, our discussion should be made in the broadest context of family choices. Tomorrow's testimony from Joseph Piccione, of the Child and Family Protection Institute, alerts policy makers to look to all the choices families can make; look to all the choices for policy—credits and exemptions—and see how those pieces fit together as public policy. A look at general tax policy on the family is long overdue when credits for specific families overshadow basic exemptions for all families.

So it is in this framework—ensuring the best interest of children, recognizing the need for partnership, and recognizing the importance of family choice and the impact of our policies on those choices that we continue with this committee's day care initiative. Again, welcome to all the witnesses.

Mrs. **Johnson**. I would like to commend you for convening these hearings. This is an area where we have an opportunity to provide leadership that is badly needed in all of our cities and towns. It is a pleasure to welcome all of the witnesses here today.

Mr. **McKernan**. Thank you, Mr. Chairman.

I would like to commend you on having these lengthy hearings today and tomorrow, because if we are serious about economic equity for women, we have to be sure that the necessary child care services are available

Thank you.

Chairman **Miller**. I would like to put a couple of questions to the panel that relate to subjects each member has already touched on.

There was an agreed-upon concern and interest by both sides of the committee when we started the hearings, to try and determine the extent to which child care could be a tool to help us put people to work, train people, help people who suffered economic dislocation to receive training or education, to go back to work and take entry-level jobs.

You represent the levels of government that have to carry out whatever initiatives we have to put people back to work, to administer job training and other various programs.

Could you tell us whether or not child care has in fact provided help in getting people to step out of public assistance in some cases, to take these jobs, or to receive training?

Commissioner Ahrens, have you found that AFDC recipients take jobs where care isn't available? What are the results of some of your efforts, Ms. Maroney?

In Detroit, there was an effort undertaken to provide child care through the emergency jobs bill. We don't quite know what happened in those efforts.

Ms. **Maroney**. From my own experience, these initiatives are so recent, I have no specific response to that question, but the staff can very easily recontact each of these States and get that data, and I will be happy to supply it to you.

[The information follows:]

Mr. Chairman:

While NCSL does not have national statistics in this area, we do have information from the State of Ohio that I believe mirrors the national experience for single mothers. Senator Neal F. Zimmers, Assistant Minority Leader in the Ohio Senate, convened and chaired a task force to look at the special problems faced by single mothers in Ohio. The summary report of the Ohio Senate Task Force on Women Single Heads of Households was released January 11, 1985. Approximately 145 women testified at the task force hearings and an additional 3,000 women single heads of households and 300 agency personell responded to a supplemental questionnaire sent out by the task force. According to testimony received by the task force, child care costs reduced the incomes of these single mothers by 12-50 percent. The two major barriers to finding work outside the home cited by hearing participants were: (1) the lack of access to quality child care with flexible hours; and (2) the high cost of child care. Many of the women expressed the desire to either work outside the home or to obtain additional training to better their chances for employment, but found that the lack of child care or the inability to receive or qualify for subsidized child care prevented them from doing so. I have submitted for inclusion in the record brief highlights of the Ohio report and Senator Zimmer's press release on the task force activities and report.

OHIO SENATE NEWS

FROM THE OFFICE OF STATE SENATOR NEAL F. ZIMMERS, JR.

FOR IMMEDIATE RELEASE

CONTACT: GAEL O'BRIEN 614-466-6247
MIKE SCULLY 614-466-4822

COLUMBUS, JANUARY 11, 1985 -- Senator Neal F. Zimmers, Jr., chair of the Ohio Senate Task Force on Women Single Heads of Households, today released the 174-page report of the ten-month investigation. The report includes 160 findings and 142 recommendations for possible federal, state and private sector initiatives to remove obstacles hampering the potential of women and their families.

"Many women heading families told the task force that for them the American Dream was a nightmare that held no hope," said Zimmers. "This task force report should signal hope. The findings document the problems facing mothers and their children in Ohio and the recommendations propose to address these problems.

"I will seek the support of my colleagues in the General Assembly to turn these recommendations into public policy and law."

Zimmers said he plans to introduce legislation responding to many of the state recommendations in January and will meet with members of the Ohio Congressional delegation to discuss federal concerns.

According to 1984 census data cited in the report, about one-third of families headed by a woman in Ohio live in poverty and 57% of children living in a family headed by a woman are in poverty. One out of seven families in Ohio is headed by a woman.

"Women heading families face serious economic barriers," said Senator Zimmers. "They are more than twice as likely to be unemployed as men and they earn about 40% less than the median income of a two-parent family.

"Inadequate or unaffordable day care, lack of access to job training programs leading to jobs with a future and the inability to afford health insurance are obstacles that trap too many women in poverty."

Approximately 145 people -- primarily women single heads of households -- testified at task force hearings in Columbus, Dayton, Lancaster/Athens, Cleveland, Youngstown, and Toledo between July and October.

To supplement the hearings, agency and individual questionnaires were distributed. Approximately 3,000 women single heads of households and 300 agencies returned completed questionnaires to Senator Zimmers' office.

Excerpts of facts and recommendations proposed in the report are enclosed.

HIGHLIGHTS OF THE OHIO SENATE TASK FORCE REPORT ON WOMEN SINGLE HEADS OF HOUSEHOLDS

Resolution creating Task Force introduced February 21, 1984

Six hearings held: Columbus (July 10), Dayton (September 13), Lancaster/Athens (September 18), Cleveland (September 25), Youngstown (September 26), and Toledo (October 1)

> *Approximately 120 of the 145 testifying were women who were single heads of households -- others generally represented agencies.

Questionnaires: 3,000 from individual women single heads of households and 300 from agencies and organizations were returned to chair's office and supplemented hearing information.

Excerpts of Report Information

9.9 million single female heads of households in U.S. (March 1984 census) of which more than 6 million have children 18 years and younger.

In Ohio, the number of single women heading families with children under 18 rose 60% from 1970 (142,000) to 1980 (227,272). Between 1980 and 1984, the number increased about 67,000, which means that on average in Ohio about 46 women become single heads of households with dependent children each day.

73% of women single heads of households with dependent children are divorced or separated, about 16% have never been married, and 9% are widowed (Ohio 1984 census).

One out of seven families in Ohio is headed by a woman.

Approximately 50% of the 672,000 Ohio children in families headed by a woman were below poverty and nearly 7 out of 10 children under three years in female-headed families were poor.

Four out of every ten black families in Ohio is headed by a woman. Between 1970-80, the number of black women single heads of households in Ohio nearly doubled.

Nearly 60% of all black women single head of household families were below the poverty line in 1980 compared to nearly 40% of white female-headed families.

Persons in Poverty*

	Ohio		United States	
	1980	1984	1980	1984
Two Parent	4.9%	3.6%	5.3%	7.6%
WSHH**	29.8%	32.4%	30.2%	36.0%
Children***	13%	19.2%	16.4%	22.2%
Children in WSHH families***	49.1%	57%	48.6%	53.4%

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* (Source: Ohio Data Users Center and U.S. Census Bureau statistics based on previous year's income)

** WSHH = Woman single head of household

*** Children = Children under 18 years

Four out of 10 women single heads of households in Ohio depended on ADC for some of their income.

Well over 50% of women single heads of households with children under 18 earned less than $10,000 a year -- with the median income being $8,000 -- and only 14% earned more than $20,000.

For women single heads of households with dependent children under 18 in Ohio, the average family income for those who didn't graduate from high school was $6,257; $11,531 for those with a high school diploma, and $20,758 for those with four or more years of college.

As of September 1984, more than $700 million of accumulated unpaid child support obligations are owed in Ohio -- more than $400 million are owed to ADC recipients.

Between 1978-82, Ohio's child support enforcement caseload nearly doubled (U.S. Department of Health and Human Services).

Women maintaining families are more than twice as likely to be unemployed than men. They earn approximately 40% less than the median income of a two-parent family; they are five times more likely to live in poverty than families with two parents -- one out of three families headed by a woman was in poverty compared to one out of 16 married couple families (1981 census data).

Women comprised 48% of the Ohio workforce in 1980. Median earnings for women who work full-time year round is $10,647 compared to $18,784 for men.

Joint Partnership Training Act (effective October 1983) replaces the Comprehensive Employment Training Act but at a fraction of CETA's funds.

In Ohio in 1984, 9.3% of students enrolling in traditional male vocational courses were female -- that figure hasn't changed since a 1978-79 survey.

National estimates are that there are between 5 and 6 million children age 5 to 13 [illegible] who look after themselves or are watched by another minor after school [illegible] times of the day.

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It is estimated that $1.00 in child care subsidy saves $3.00 in welfare services expenditure (Children's Defense Fund-Ohio).

According to testimony at task force hearings, day care costs reduced women single heads of households' incomes by between 12%-50%.

One in five pregnant women in Ohio and one in three non-white women do not receive prenatal care until after the first three months of pregnancy.

Without Medicaid, 8 out of 10 children living in poverty would be completely uninsured (Children's Defense Fund-Ohio).

While 68% of all Ohio households owned their own home in 1980, only 38% of women single heads of households with children under 18 owned their living quarters. In 1984, the percentage of women single heads of households owning their homes dropped to 28% while the percentage of Ohio households remained virtually the same.

15% of women single heads of households in 1984 lived in public housing projects.

Women single heads of households and their families represent 45% of all households with housing needs (1984, Ohio Housing Needs and Action Plan).

The ADC program is funded at less than half of what the Ohio Department of Human Services has determined is the minimum subsistence level.

According to testimony, food stamps do not last for the entire month; therefore, any reductions in their allocation -- as a result of federal budget cuts or as a result of a single parent receiving a grant to attend college, etc. -- have a detrimental impact on single parent families.

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Ms. **Ahrens**. I would say that it is very clear to us that if a family is going to be worse off by going to work than by remaining on public assistance, they clearly will not go to work, and that is generally what is happening.

I think at least in our community, and across the country, the disincentives that are in the current title IV, with $160 a month, will cost a family, if they move off of public assistance and into the work sector, if they have small children. You cannot get day care for $160 and they pay part of what they earn to supply the day care, and that, coupled with the fact that the work allowance is very inadequate, simply discourages people from moving off.

They also put their children in jeopardy, because they may well lose their health benefits. This has been modified, thankfully, under the current legislation, which will improve that situation, but unless something is done about that $160 a month, people are not going to take the risks and move.

Mr. **Cooke**. In my own community, for instance, I have witnessed working mothers who must cease work once the cost of day care goes up. They have not had ways of meeting the increased costs with the stipend that they have received.

I would have to back up Commissioner Ahrens on the problem of working. As long as individuals are in a position to receive a little bit more subsidies as opposed to going out to work, they are not going to work.

The opportunities for jobs ought to be there, and jobs that people can handle.

The second part is very simply the fact that last evening, I am not sure how many people saw it, Mr. Anthony's Governor was one of the leading forces in the ABC-TV special last night on education. Over and over again, the message was rather clear: If we don't save our schools in order to save our children and our country, it is all going to be for naught.

What I am basically attempting to say is that over and over again, it has been proven that young people can learn prior to going to school. The opportunities ought to be there with this very high-tech era that we are in now in order to support the philosophy of providing sound day care facilities and programming.

Chairman **Miller**. Thank you. I am sure that unfortunately much of the recent coverage and attention given to the day care issue is now being raised by some rather tragic events that have taken place in my own State, in New York, and elsewhere.

Ought there be Federal regulation of the day care sector, private and public? Each of you have suggested that the title XX moneys ought to be increased with no further set-aside.

One of the questions we have got to ask, and you represent local government, is what it is that we can expect if we are going to continue to put Federal taxpayer dollars into this system. How do we ensure increased scrutiny by local government.

California is trying fingerprinting, licensing and background checks, and New York just signed such a bill, as did South Carolina. There is a national outrage and concern. I am not asking you to speak for your organizations, but I am interested in your views.

We may soon set some Federal standards, which at the moment I am opposed to, and you may find yourselves administering them.

As calls come to liberalize the disregard, make the credit refundable and increase title XX funds, we are talking about a very substantial amount of money. Yet we have a national concern that is being echoed in the popular media about these systems. In my State people say we visit providers once every 3, 4 years, and in other States, it is less frequent than that.

It is a question that this committee has got to ask of a number of witnesses that come before this panel in the next 2 days.

Mr. **Cooke**. Mr. Chairman, I will be among the first to tell you that I certainly do not have a problem with the guidelines that you may be interested in with reference to the accountability.

With other Federal funds coming in now, and with the State funds coming in now, the city cooperates very fully with the day-to-day administration of those funds.

As a matter of fact, I utilize a lot of our people to do the followup and monitoring that the Federal Government doesn't provide the money for. We need to establish facilities and pay for the training of professionals.

Since the publicity of increasing child abuse, the State of New Jersey is looking even more sharply—under a microscope I might add—with reference to background checks and the qualifications of people who are going into day care centers as professionals.

We welcome your assistance, and we welcome any kind of requirements within reason, as long as we have the resources to establish the facilities.

Ms. **Ahrens**. I know the Federal Government sets standards for foster care, and maybe they could for day care. In my State, we have very strong and careful standards for our day care facilities.

It is important to keep some of this in perspective. When you have a large, growing system, you are going to have abuses. I don't know that this can be avoided, even when there are standards.

We must keep the issue of abuse in some perspective, and the vast majority of abuse in this country occurs in the home.

Ms. **Maroney**. One of the ways Delaware has tried to address the problem is to establish training programs for those individuals who are interested in establishing child care facilities. We have a large rural population in our small State, and have afforded the local people to keep poor children in their own homes.

However, we do feel, and we also have strict—however, they are minimal—standards, for these day care homes. One of the concerns that has been expressed over time is that if the Federal Government were to initiate strict standards for licensing, that it would simply drive the whole issue underground.

There has been indications in States where they have had too strict standards that this is exactly what is happening. It should be left up to the local jurisdictions and caveat tempter.

Earlier this spring, a forum was convened sponsored by the new Department of Children in conjunction with the alliance of business and the Delaware State Chamber of Commerce to discuss child care.

A small business firm in Philadelphia has opened its doors around having a child care facility as its cornerstone, and they have great faith the business will improve and continue to grow; however, the cost of maintaining the Cadillac version of a child care facility is $115 a week, and that is really the major problem that all of us need to address.

How can we provide as close to the Cadillac model that currently costs $115 a week, and make that quality affordable?

Chairman **Miller**. Congressman Marriott.

Mr. **Marriott**. I have enjoyed the testimony of the witnesses and appreciate very much your being here. And I have just a couple of questions.

The first question, to all of the members of the panel, has to do with getting people off AFDC and in the work force, which tends to be a priority of about everybody, I suppose.

The question is whether day care facilities for people on AFDC, will indeed work at all unless it is accompanied by a very intelligent, workable training program.

As long as you are going to have people go off AFDC onto minimum wage jobs, how would a day care program be effective?

What are the needs for coupling a reasonable training program to get women into better paying jobs, with providing assistance to people on AFDC?

Ms. **Maroney**. In Delaware, we have combined the Job Training Partnership Act funds for low-income minority youth in the cities, but reserved a number of slots for women currently on AFDC.

Our problem really is that for AFDC families, there are not enough slots.

Mr. **Marriott**. One point, I have been talking * * * talking to a number of people out in the world, the marketplace. I am not getting a lot of good vibes about the Job Training Partnership Act, that it is training them for minimum wage jobs and nothing else.

How effective is the Job Training Partnership Act for some of these people?

Ms. **Maroney**. We have a strong coalition that exists between our Delaware Technical and Community College. Again, because our State is 600,000 people, we practically know everybody by first name, but because of that size, we can tend to be a model for other States, and we have attempted to have the college identify those jobs in the marketplace, and specifically gear that training for that specific job.

And that has been extremely workable.

Mr. **Marriott**. Thank you.

Mr. **Cooke**. Mr. Marriott, first of all, I share your concerns about that, and I certainly am aware of the fact that part of the problem is trying to train people for minimum wage jobs, which do not exist in many of the areas where the people are living who need the jobs. The expanded use of transportation funds which have helped to develop the super-highways outside of the urban areas and the fact that many of the jobs that were at one time in urban areas are now located in other areas not serviced by mass transit facilities makes it difficult for people to look for minimum wage jobs in their communities.

So, in terms of trying to expand the opportunities for individuals, I think we are going to have to look beyond the short-term, and perhaps give some real serious consideration to changing some of the requirements for AFDC recipients, as well as other people who are in need of welfare. We must stop forcing the splitting up of families simply because people need help.

That has been one of the most detrimental side-effects to people being on AFDC and other individuals receiving social services benefits, so Congress is going to have to think in terms of nationalizing welfare, to eliminate the restriciton of forcing the husbands out of the family and leaving children without fathers.

And third, we must stop discouraging any efforts of self-help simply because people face the threat of losing the small stipend that they are getting now under AFDC.

With reference to job opportunities, we basically lost control, and I am not sure whether the locals have as much control over the job training efforts as we did under the old CETA Program.

It was a lot more flexible and more realistic with the CETA Program.

Ms. **Ahrens**. I think we found, in my county, that WIN does work, but the problem is we have twice as many women who want to get into WIN as we have money to allow that to happen, and it becomes rather selective.

It is easier to involve women who do not have child care needs because we don't have the money to provide the child care need, so that is one issue with respect to WIN.

The JTPA Program, it tends not to do a very good job in terms of numbers with our public assistance recipients, particularly those that need day care, because 30 percent of that money is set aside for administrative and support services.

Fifteen percent goes into support services, which competes with other needs, and so you have a very small amount that can be used for day care services to allow women into that program. That is a real problem, and we don't have very many women's needs, and we don't have very many mothers' needs being addressed as a consequence.

Mr. **Marriott**. Mr. Cooke, you said more incentives should be given to start up and operate day care for school-aged kids. Would you be more specific in terms of what specific incentives you think should be there?

Mr. **Cooke**. Thank you.

Some of the incentives that must take place: We have to provide a better salary for the individuals in charge of programming efforts and have funds available for the use of facilities.

One of the things a lot of boards of education could use today would be some extra funds, as has been mentioned by my colleague here, for the extended use of school facilities. We want to be able to utilize buildings already in existence so that additional funds can go into service delivery. If we could have those funds directed to the various local school districts to expand the day care operations, perhaps from morning until afternoon working hours for those who need it, then perhaps we could also utilize our vocational schools to provide adequate training for our parents who need additional training to get into the job field.

Mr. **Marriott**. Thank you.

Ms. **Maroney**. I talked last evening with a group of administrators from the school. They are extraordinarily resistant to expanding any facilities to the public. They feel that they have an enormous challenge under the new education for leadership and some of the other challenges that each of the State legislatures have put down before them.

So I feel that again, it is a very important tool for the Federal Congress to use to stimulate, if you will, in the most positive sense, and to encourage the schools, the administrators of the schools to think of them as their own personal purview, to share those facilities.

In some of the smaller private schools, they are doing that. You can do that with the independent schools, but to move the public school systems, even in as small a State as ours, is a gargantuan task.

Chairman **Miller**. Congresswoman Boxer.

Mrs. **Boxer**. You are the people who are close to the problem. I spent 6 years in local government, and you really do see it far more clearly than we do here in Washington. I would like to thank Mayor Cooke for some of the statistics he gave us.

Title XX has increased 8 percent since 1978, although costs have gone up 79 percent, which indicates a shrinking role of the Federal Government in this whole area of child care for those in need in our country.

Would you agree with that assessment, that there has actually been a shrinking role due to inflation?

Mr. **Cooke**. That goes without saying, and thank you very much. That goes without saying, that there has been a shrinking because of inflation, and a lot of other things. I don't mean to imply that we shouldn't think about a strong defense. Many of us are very patriotic and feel we should be strong in the world market.

Our country is strong because of its people, and if our people do not feel good about themselves, they are going to find it a little difficult to feel good about our country.

Our strongest defense happens to be our people, and I believe if we start saving them at an early age, as opposed to trying to repatriate them at a later age, it is much to our benefit.

For instance, we spend a lot of time arguing back and forth about whether or not we should spend $5,000 to $6,000 to educate a youngster in the private schools and later on, so he can take his place and progress. It costs $15,000 to $20,000 a year to incarcerate someone and that is without training.

Our philosophical beliefs will have to change before it gets to the point where we have to do some rehabilitation.

Mrs. **Boxer**. On the issue of need, Mr. Anthony stated there was really a need for child care. I thought that had been established quite some time ago, certainly in our field hearings.

What do you people see as the need? Do you see parents bringing their children into child care because they want to have leisure time, a tennis date, because they want to go to the hairdresser, or are they using them because they want to keep the family together and need to feed the kids?

We have to talk about that, since at least one of my colleagues has stated a doubt that there is a need. So from your perspective, are the participants women and men who need this desperately in order to keep themselves together as a family unit?

Ms. **Ahrens**. Those who want to go to the hairdresser's or bridge or whatever, I guess are not being addressed in any of the things that we are saying, because they can afford it and they can pay for it, and I am sure they can find it someplace.

It is very clear that people who use our licensed day care homes, who use our day care centers are using them because they have to earn a living, and the only way that they can do that is to have some adequate care for their children.

There is no issue there for me. As I look at my community, there is no issue there. The area in which we find the greatest need at this moment is in the area of infant care. We simply do not have adequate care for infants, and that is a nationwide problem.

Ms. **Maroney**. I agree. There are plenty of social opportunities for women who like to play tennis to bring the kids along. Kids are just literally everywhere, in hairdressing salons and wherever the adults are.

The biggest challenge is to create some kind of awareness on the part of business that women really need to work. In our own State, the Du Pont Co. is one of the major employers, it is a fait accompli that you must have your children taken care of before you can even apply for a job. That was a year ago.

They are now listening to some little tax perks that we have been discussing. When you talk about tax incentives, then they do develop a great deal of interest, but I think that the argument needs to be made succinctly to the business community, that there is an investment in women, in their education, and in their training on the job.

There has to be a great deal of flexibility built into two-parent working situations, flexibility that our society has not really been willing to address, but certainly there has to be some pressure put there, and I guess how that skill is going to be balanced is going to be a very delicate one.

Mrs. **Boxer**. One last question, I don't agree with the chairman that we should not have Federal regulation in this whole arena; but at the same time, I would not support such regulation unless there were increased funds to go along with such regulations.

If we were to have Federal regulation which spoke to enforcement, the training of the people we hired, and it were accompanied by increased funding to pay these people more than we pay zookeepers, and we pay zookeepers more than we pay child care and adult care providers, if we were to do that, do you think local government could support it?

Mr. **Cooke**. I would lead the pack in doing that. I have had day care supporters picketing city hall simply because we had to abide by Federal regulations under our community development block grant funds—how much could go to community health care services as opposed to how much should be going in bricks and mortar.

We have been under pressure from the Feds to cut back on the social services and improve the bricks and mortar, and it is not a good feeling having children in mothers' arms and walking around being pulled along by the hand saying, "Mayor Cooke, we need some more day care facilities, save our teachers, do this and do that."

There is no way we can continue doing the job without having the resources. Within reason, we understand that some regulatory measures are necessary, but give us the resources.

We will manage those resources, and if we don't, well then, you stop giving us the money, but give us the opportunity to make those decisions because all of the city halls across the Nation are the places where the buck stops.

They know, generally, about the Federal Government and its support and thrust, but it is usually the city halls where people usually gather to say, we need some help; and Mr. Chairman, Congresswoman Boxer, we need your help.

Mrs. BOXER. These are all the questions I have, and I remember those same picket lines when I was in local government, and that is why I am in great sympathy with the panel when we cut programs.

Thank you, Mr. Chairman.

Chairman MILLER. Congressman Coats.

Mr. COATS. I think all of us in this room share the same goal and that is, improving the quality of life for our children and other children throughout the country. I have large question marks in my mind and grave concerns about whether or not children will receive the best quality care if they are removed from the parents, particularly at an early age, and placed in a child care situation.

I am just not convinced that a child care center or any other child care provider can offer the same kind of sustained, close, loving relationship that a parent can. I recognize that many mothers have no choice. Because of changing social trends, demographics and a number of other reasons, such as increases in divorces, many are put in a situation where they have absolutely no other choice.

Has the Conference of Mayors and Association of Cities and Towns and Counties, and the groups that you represent, studied this question: In addition to looking at ways to improve and increase and facilitate child care, particularly among infants, did you also look at ways in which we can reduce the need for infant child care?

Are there things that we can do in cooperation with the government and private industry, to reduce the need? The need for child care is growing, and we accept that fact and will have to make provisions for it.

It concerns me that questions are not being asked; what are the causes? If we buy the argument that the best care a child can receive in most instances is care from its mother, its parents, if we accept that premise, shouldn't we be looking at ways to encourage or help that parent stay at home? This may be a radical suggestion for a Republican, but maybe we shouldn't be seeking to move mothers off of welfare into the job rolls when their children are 6 and 12 and 18 months of age.

Maybe we ought to be looking at increased AFDC payments in order to keep that mother home. Certainly, we ought to be looking at more job opportunities for the primary wage earner, so both parents are not thrown out of work.

We should be looking at a number of other options in terms of keeping inflation down, improving the tax position, tax reforms, and encouraging home-based industry, so if the mother wants to stay home, she can.

Can you give me some informaton about what you discussed in your conferences?

Ms. AHRENS. I will address your comments. What you have done is go back to what was originally intended when AFDC was first enacted, to allow mothers to stay home with their children, and that is precisely the philosophy under which that part of the Social Security Act was enacted.

What has happened is that the AFDC has been, in fact, so inadequate, across the country, and even in the better States, that it locks families into poverty.

In order to break out of that, the parent simply has to try to move off and get a job that will pay at least enough to be of financial benefit to them.

Mr. COATS. Is that possible? Is it possible for a mother with a limited education, limited job skills to take or to find a skilled position that will pay her a sufficient amount of money to pay for quality child care and improve her standard of living at the same time? Is that in most instances possible?

Ms. AHRENS. It depends on whether a job is available that has a wage that would increase her income. In many instances, that is not true, particularly with the disincentives that have been built into the program.

Mr. COATS. In a lot of instances, it is because the mother doesn't have the skills to meet the job.

Ms. AHRENS. Correct.

Mr. COATS. It is not a lack of jobs, but a lack of the right skills to fill the new technology-oriented jobs that are available. We have a shortage of labor in some areas, and a surplus in others, and it is a matter of the right skills.

Ms. AHRENS. That is one of the reasons that NACo has supported increased appropriations in the WIN area. We are so limited in that, that so few women can take advantage of it. That is their stepping stone to a decent job.

Mr. COOKE. Congressman, what you just proposed, wouldn't that be one of the practical reasons to support increased funding and the expansion of day care centers? Maybe a part of the problem is the fact that the mother who sits home all day with no skills, those same attitudes and philosophy will ultimately rub off on the youngsters whom we are trying to save to break the cycle?

Mr. COATS. Well, if you are talking about intellectual skills, that may be true. I am talking about emotional development. I am talking about the need for bonding, love, for a warm relationship, that frankly is easier for a mother to give her own child than for them to receive in an institution, where we find staff ratios extremely high between provider and recipient, where turnover is high, and a child doesn't get the continuous, sustained warm, loving relationship.

That type of relationship is almost impossible to find in a child care situation, particularly for young infants, where I think the need is greatest.

I only suggested the AFDC question as one of a number of initiatives that perhaps we ought to be looking at. Maybe we ought to be out there with a red flag saying, before you get that divorce, think a little bit more about what the effects are on the children.

Look at the emotionally crippling damage that is occurring to children who are without both parents or without any parents for a great deal of the day. Look at what Dr. Brazelton and some of the experts are saying.

I don't want you to think I believe everything is idyllic, and mothers can stay home. I want to raise these warnings.

Mr. COOKE. If I may, Mr. Chairman, and Congressman, I understand what you are saying and all of us do.

First of all, many of the individuals who would have need of day care services come from one-parent homes, period. There are no fathers that are known to the general public. There may be a father that is known to the mother. They have never been married.

They won't get married, and even if they did, there is not the philosophical capacity to relate to what you just said, because they were not brought up that way. Somebody had a baby because they felt that they wanted to have sex at some point in time, and a baby came.

It could be a child mother, as many of them often are. They are frustrated because at some point they didn't find what they wanted in public school.

Last night, it was a good program. What we are saying today really is that as much as we all would like to have everything be as sweet as apple pie and motherhood, in the South Bronx, in Essex County where East Orange is located, and certain parts in all 50 States, that we are all concerned about, you will find that all of the philosophical things we would like to have happen with regard to motherhood and apple pie doesn't happen.

Mr. COATS. Mr. Mayor, what are we doing to try to reduce the incidents of that? Are we doing anything to address the root cause of the problem, or simply accepting the fact?

How can we reach out to help these young women not get into this situation of being unmarried mothers? I don't want to accept that there is nothing we can do, so we have to provide child care.

Mr. COOKE. That is what I said a little earlier, by the fact that you posed the question constitutes the needs for us to do something. That is what we are doing right now. If we can save young people before they get to the point of becoming single mothers, and frustrated, and then we are doing what we are supposed to do to break the cycle you are concerned about. If we can save the children, so they won't grow up with the same philosophy that their parents have, not be able to handle a job because they don't have the skills, then we are doing something.

That is why the day care centers must exist, because the love that you speak of isn't there from the natural mother. I don't mean to imply that they find it all in the day care centers, but sometimes they learn how to live with each other a little better.

They have a few higher aspirations because they are exposed to other people and they don't see the doom and gloom that is involved in a dark apartment sometimes.

Chairman MILLER. The gentleman's time has expired. Congressman Rowland.

Mr. Rowland. You raise some complex questions. Most single households are headed by females, and most get custody of the children in divorce situations, and they are left to look at them during the week, while the male has them on the weekends, and unless that person is able to command a rather high salary, has difficulty in placing the children in a day care center to work, so it is certainly a problem for the female.

Females make less money than males, generally speaking. It is a difficult situation. I want to focus a little bit on the quality of care. We have been talking mostly about quantity of care, expanding day care centers, improving centers.

You people are located mostly at the local level. Do you see child abuse in centers being very much of a problem? If you do see it being very much a problem, how should we deal with it?

Should the Federal Government get more involved? What about licensure of these day care centers? Should there be more severe penalties? Could you give me very briefly some answers to those questions?

Ms. Maroney. I think that public outcry was demonstrated in the instances where abuse has taken place, and I think that the courts are addressing those issues. The great tragedy in Reno of the abuse within the Montessori school system, the kind of damage that that does to a well-respected school, is incalculable.

There is a problem between protecting people's constitutional rights to privacy. There are people in my own State who want people who come in outside the borders, and we have three very close by, to be fingerprinted, have a background FBI check run on them.

I am not certain that society is really ready to do that kind of thing, but adequate training, by enough people, parents need to be involved.

In those day care centers in California, if parents really came in and watched the process, just as we are all encouraged to come in and sit in on the child's classroom, it is up to the parents to take that responsibility.

Many parents feel—we have the first mandatory kindergarten law in the State, children 5 years of age now mandatorily will go to school.

Lots of families didn't approve. We felt in the legislature that there was greater benefit to come out of that. I agree on the quality issue.

Again, local standards must be the mandate to see that that is carried out.

Mr. Rowland. Do you believe that the courts should be allowed to deal with the problem now, and nothing additional should be done?

Ms. Maroney. No, I am talking about those that have already been established. I think, however—excuse me, let somebody else have a moment.

Ms. Ahrens. If I could comment while you refresh yourself, as the issue has focused on abuse that is occurring in a few of the day care centers across the country, and in an area which is bound to expand, we are also bound to get these kinds of problems.

It might be useful, and this is just off the top of my head, to have the Federal Government serve a communication purpose in terms of some sort of national register that States could look at before they license facilities to see whether the license of these facilities or the personnel involved has been pulled by some other State.

Right now, if a provider whose license has been pulled by the court for a criminal process, moved across the country and opened up a day care center, the State would have no way of judging the background.

That kind of thing might be helpful.

Mr. ROWLAND. In a State which I believe now licenses most of these day care centers, and they are found to have a situation where there is child abuse, should there be more strict standards of removing the license and terminating that facility from the States' standpoint, from what we now have?

Mr. COOKE. I think you would find that the responsible people at all levels of government, simply because of public pressure, would take action to make sure that people are in compliance.

If that is not the case, ultimately, Congress, the funding fathers, would have the opportunity to remove the funds, shut the operation down.

City halls are the places where people usually come to you and scream. If they know we are not doing it, we will get our coattails pulled.

Mr. ROWLAND. Are you satisfied that that is now taking place?

Mr. COOKE. I feel that it is, Congressman. I feel that the media and the public generally take the negatives and blow them out of proportion or use them to serve as an example for what is supposed to be happening, but not really happening. There are so many good things that are taking place because of the funding that Congress has provided for programs in the past that have not get been fully explained to the people.

I believe that we can do it.

Mr. ROWLAND. Thank you, Mr. Chairman.

Chairman MILLER. Congresswoman Johnson.

Mrs. JOHNSON. I want to call the attention of the panelists and my colleagues to legislation I submitted just before the last recess. I spent 8 months researching this bill and I have been in extensive contact with State and national welfare directors, seeking to take a more holistic approach to the problem of low income. Much of your testimony has evidenced an effort to use JTPA resources and other funds, but you have been frustrated by the absence of resources.

My bill pilots 10 projects in the Nation which provide day care moneys. It addresses the issue that 60 percent of our welfare mothers have not completed their high school education, and it requires a welfare mother's participation at half time, not full time, in completing her education by attending community college and getting the kind of training which will provide her with a job and the upward mobility that is required to support a growing family of one or more children.

And as the age of the children increases, so do the costs. I am interested in fostering self-sufficient individuals, and to reach this goal we have to do a better job at integrating moneys—education dollars, welfare systems, JTPA—all of the other measures that have been introduced and put in place at the local and the Federal level.

What I would like to know is, you may not have information about this, and that is just fine, tell me if you don't. I chaired a 6-month oversight study of day care in Connecticut, so I have some background. In your work, in the different areas where your experience lies, have you been able to document or develop any sense of how many children there are in unlicensed day care settings? How many children are being served, but outside of the publicly acknowledged licensed system?

Mr. COOKE. I don't have those statistics with me, but we can get them for you.

The laws in the State of New Jersey are very strict. For instance, all of the unlicensed day care facilities are limited to a total of four young people. I am not sure how that impacts on the overall category, but above that, all of the day care operations in the State are licensed.

Mrs. JOHNSON. Connecticut laws are very strict, too, among the strictest in the Nation. It is not our licensure laws that I am addressing.

We had testimony in Connecticut to the effect that possibly as many as 70 percent of the children in day care were not in licensed day care facilities. I spent 6 months asking everyone I ran into, who takes care of your child? I was astounded at the number who were in unlicensed settings, or who were supervised by a relative.

One of the things we have to look at is the size of the unregulated day care industry and the quality of that industry, in, have you in your work in this area run into the problem of licensure, A, increasing costs; and B, reducing access?

Do you have any comparisons between States that use registration versus States that use licensure? If you must be licensed (as you must in Connecticut), you cannot register with an information or referral system if you are not licensed. If indeed two-thirds of care has been provided by unlicensed providers, all of my constituents do not have access to them, and yet they are out there doing business.

There are all those pros and cons including what does licensure accomplish, and how are we going to get an information or referral system, but the first step is, what do you know about the unlicensed, unregulated care providing system that we know is in place, and may be larger than the licensed legal system?

Why is it succeeding? What is the amount of abuse in that system, and what can we learn from its existence? Those are the kinds of questions that I am looking at, and they have to do with the kinds of questions that my colleague just asked.

Can we afford to try to solve the future's problems with the programs of the past when we already have evidence that the programs are not meeting the needs—500, 600, 10,000 percent—and yet here is this whole flourishing black market.

What do you know about that unregulated industry from the point of view of size and quality?

Mr. COOKE. I don't know. I don't have those statistics, Congresswoman.

Mrs. JOHNSON. Any help you could give us would be appreciated.

Ms. **Ahrens**. I would say it is estimated in our county at least 50 percent are not licensed. That is an estimate. We don't really have a way to get a handle on that. We do have a register and that register does list unlicensed. So we have a sense from that. We do have a register.

Mrs. **Johnson**. Regarding that register, are 50 percent of the people on that register unlicensed?

Ms. **Ahrens**. I think not that many. But one of the problems, one of the issues I think that we are concerned about is that even the licensed care facilities have very inadequate supervision. We had to cut our staff when the cuts came to title XX, so we are not able to supervise even the licensed providers anymore. What we do is provide a service that any of the providers, licensed or unlicensed, can plug into. It is a resource center they can come to for educational programs, for training, for providing toys and literature and they can simply borrow these things and take them to their homes.

Mrs. **Johnson**. Your laws must not make licensure mandatory.

Ms. **Ahrens**. Licensure is not mandatory.

Mrs. **Johnson**. You do have the advantage in having a way of reaching unlicensed homes both through technical assistance and providing access to them through the registry.

Ms. **Ahrens**. Yes.

Mrs. **Johnson**. Do you have statistics that indicate whether abuse problems, quality care problems, are greater in the unlicensed homes than the licensed homes?

Ms. **Ahrens**. I don't have an answer to that.

Chairman **Miller**. Time has expired.

Mr. Anthony.

Mr. **Anthony**. To go back to my opening statement, the reason I made that opening statement, I think it was based on some of the comments that some of my constituents made to me during my last work period. Let me quickly go through about three of them.

I had a teacher that was criticizing the school lunch program because she sees parents cheating on their income form so their children can be eligible for reduced or free school lunch programs. AFDC, more than one time I had constituents say that they are willing to support 1 illigitimate child but not willing to support 2, 3, 4, 5, 6, 7, and 13. Food stamps, I had many elderly come up to me and say it really galls me when I have got to pinch my pennies on Social Security, then I see the other people paying for food that I can't afford.

Mr. Cooke, I think you probably really summarized what this really says and that is that the negatives are blown out of proportion. But we still have a selling job to do. Maybe in one sense, what Governor Clinton was able to do in Arkansas is something we can take a lesson from. He basically said if Arkansas is going to get off the bottom in education, we have got to have quality, but we have to have accountability, and if we can assure the constituents that, then they will be able to pay for it. As a result to that, he was able to get a 1 cent sales tax passed through the legislature, all dedicated toward education.

I go back to my premise with the political conditions being such as they are today, and the fact that we are having such huge Federal deficits, that means in 1985 we are going to have to make some very serious political choices, and if we are to put more money into the child care area to improve the quality, we dang sure have to make sure we have the accountability there or otherwise we will have a rebellion on our hands. We won't have the support of the taxpayers, and they will demand that these programs be changed. Unfortunately, Members of Congress are subject to that political pressure.

That was my speech. In 1 minute I want to ask you two quick questions. Tax policy. Why use the Tax Code to establish a national policy on child care, why not use the authorization and appropriations process, and what do you see as solving the problems between economic dislocation of programs—I am talking about rich States and poor States now, California and New Jersey, and Arkansas and Mississippi.

Ms. AHRENS. Mr. Chairman, we have used the tax policy to provide for day care incentives. The problem is we have used it only for the middle class and the rich and the poor are excluded from that. I guess our comment was we simply extend that policy to include low income and poor families.

Mr. COOKE. We have done the same thing. In my comments I indicated that we have floated local bonds. As a matter of fact, we did that several years ago, and with the pending cutbacks in the Federal assistance to social services, we haven't yet been able to implement that bond to its fullest. As a result, now 3 years later, inflation has caught up with us and if we are going to be successful in providing new facilities for day care, we are going to have to go back to the bond market again at some rather exaggerated rates.

And you're right, the taxpayers are now beginning to tell us how much further are we going to go in terms of trying to do everything for everyone. We are just trying to recognize the problems as they are and to take some preventive measures now and my way of doing it—and it is pretty hard to bite the bullet sometimes, but we all have to do that—is to actually try and make the money available even though it is putting a little bit more on the taxpayers at this end. But putting a little bit more on the taxpayers at this end saves a bigger payout in trying to reclaim those lives after they have been sentenced to prisons, and when we find that there are no economic opportunities available because we do not have the adequate training to meet the high tech challenge, the payoff on the long end is a heck of a lot more than the investment in the beginning.

Ms. MARONEY. Delaware tends to piggyback on the Federal tax policy. There are a couple of things, everytime it is my turn the frog comes back to my throat.

I did want to make one statement in response to Mr. Coat's observation. I think the new child support enforcement law that was signed into law last month is going to make a major change in removing women from welfare rolls. It is not going to address the entire problem, but many middle class women have simply had to go on welfare in order to provide for their children and I think that is going to be a major thing.

The other major piece I think States absolutely have to address themselves to is the problem of teenage pregnancy. We are beginning to do that. Lord knows how long it is going to take to address it and how we will do it. Again, with the children getting into kindergarten at age 5 in our State, we are starting a mental health project which is going to have a nice kid's name to it, but it is going to develop a sense of values system within those children at a very early age where they feel good about themselves regardless of the type of homes they come from, and it seems to me if that is the way you have to get at problems that eventually result in teenage pregnancy, because they hadn't had any love or affection or any kind of self-esteem.

In Delaware's amalgamation of its services to children, the major thrust was, first of all, public response to the deaths as a result of child abuse, but the basic philosophy is we are trying to put this into effect. If you get at families of children's problems early enough on—we have added on to the system of child protective services, and the youth diagnostic unit and mental health.

We also folded in as of July 1 this year, the juvenile corrections and probation piece. We feel that somehow or other that a linkage is established that ends up as Mayor Cooke has referred to frequently in his testimony, that they end up in the jail. It may be the noblest and most expensive experiment any State has ever undertaken. I believe it has some merit.

Chairman MILLER. Thank you.

I want to thank all members of the panel. No matter how this committee's initiative and actions by the Congress come out, it is pretty clear that your work is going to be expanded in the area of child care and we appreciate your insights into this issue. Thank you very much.

Mr. COOKE. Thank you very much for having us and we want to thank you and your committee members for the amount of time that you are giving to a very important problem to our country and you are to be commended.

Chairman MILLER. Thank you.

Ms. MARONEY. We stand ready to assist the committee in any way we possibly can.

Mrs. JOHNSON. May I just ask Commissioner Ahrens and NCSL to get back to me with any information you have, for instance, on registration versus licensure; which States prefer registration or prefer licensure, and if you know of any sources of information on registration, if it increases access to day care, and if there are any statistics that document whether registration has a poorer track record than licensure.

Ms. MARONEY. We do find that too strict measures are what drive the industry underground and NCSL will probably be able to embellish on that. That has been their experience.

Chairman MILLER. Thank you very much. We will now be joined by a representative of the special assistant to the president, director of the office of private sector initiatives, and Dana Friedman, senior research fellow, work and family information center, The Conference Board; Deanna Tate, department chairman and associate professor, department of child development and family living, Texas Woman's University; and Irene Carr, statewide secretary, New York State Civil Services Employees Association/AFSCME Local 1000.

We will start with Dr. Friedman.

STATEMENT OF DANA E. FRIEDMAN, Ed.D., SENIOR RESEARCH FELLOW, WORK AND FAMILY INFORMATION CENTER, THE CONFERENCE BOARD

Dr. **Friedman.** Chairman Miller, members of the select committee, staff and invited guests, I am pleased to present a brief version of the testimony submitted earlier on the need for creative solutions to the problems of child care on behalf of the conference board, a nonprofit business research organization. In July 1983, the conference board established the work and family information center to monitor the ways in which the corporate community responds to changing family life styles. Indeed, our most frequent requests have been for information regarding various strategies to provide employer-assisted child care.

We estimate that approximately 1,500 employers nationwide currently provide some form of child care support. You will note that this number has increased by 500 since I prepared our written testimony, as the result of research completed last week, to which I later refer. While a relatively small number compared to the 6 million employers in the country, it does represent a dramatic growth.

These 1,500 employers tend to be in the high growth fields: high technology firms, banks, insurance companies, and hospitals in the service sector. These employers are responding to child care primarily as a way to recruit labor in short supply. As a result, employer supported child care often exists where there is a concentration of growth industries. One will also find employer involvement in child care where there is a sophisticated child care community, where services exist that facilitate employer involvement and where the supply and quality of programs are deemed worthy of investment by the business community.

In California, for instance, several companies are collaborating to design a child care plan whose goal is to expand the supply and improve the quality of child care throughout the State. The plan could never have been conceived without the presence of California's statewide system of resource and referral agencies.

Perhaps this is the most important message I can leave with the select committee today: What the corporate community seems willing to do in the area of child care actually defines a role for Government in developing a better system of child care and involving the corporate community in it. Let me explain briefly what I mean through history and current practice.

As the field of employer supported child care emerged in the late 1960's, most of the initiatives focused on the onsite day care center. But today, of the 1,500 employers involved, 80 corporations and 300 hospitals have on or near site centers. Several companies sponsor family day care networks, sick child care programs or after school projects. Most are relying on community based organizations to help them develop these services.

But clearly the majority of employers are not creating new services, but rather are helping their employees find or pay for child care that currently exists in the community. As such the provision of information and referral services and financial assistance is more predominant than the service options just mentioned. For instance, an estimated 250 employers provide I&R services for their employees.

Some companies even create new I&R agencies where there once were none. For example, Steelcase Inc. has one of the only in-house I&R services. Minneapolis, MN, Hartford, CT, and Holland, MI, have downtown I&R services created by a consortia of companies that assist their own employees as well as working parents in the community at large. This 250 total also includes the extraordinary response by IBM to create or augment I&R services in the 200 communities where their employees work.

The research I completed last week, and mentioned earlier, reveals that financial assistance is probably the most popular form of child care support. There are two reasons for this: One is the creation of section 129 of the IRS Code, enabling child care to become a nontaxable benefit when accompanied by a written dependent care assistance plan [DCAP]. While this makes employer contributions more attractive, it also makes child care a convenient option to include in flexible benefit plans where the cost is shared by the employee.

I believe that when creating DCAP's, the expectation was that employers would contribute their own dollars through vouchers or discount programs. Yet, I found only 25 companies offering vouchers, a number limited, I believe, because of their potential expense to the company. Another 300 companies offer their employees discounts through one of the profit making chains or a single proprietary center. About one half of these discount programs do not require an employer contribution.

On the other hand, approximately 75 companies include dependent care in a comprehensive cafeteria plan and another 500 offer it within freestanding flexible spending accounts funded through salary reduction. The flexible benefit approach is the most popular form of financial assistance because, while employers are concerned about child care, they are simultaneously concerned about equity among a diverse group of workers and escalating benefit costs. Through flexible benefits, and salary reduction, in particular, the company can support child care in an equitable way and at no cost to the employer.

What a few insightful companies are beginning to ask is: What good is helping employees find child care if it is not out there? And why help pay for care if it is of poor quality? For a few exemplary companies providing I&R or financial assistance, there may follow a commitment to the expansion and improved quality of child care services. But for the majority of employers, the inadequacy of the existing child care system will preclude their involvement. Indeed, parents in unresponsive companies, those in smaller companies—approximately 50 percent of the American work force—and those looking for work will not benefit from employer-supported child care. That is why the overall challenge to Government must be to direct its creative energies toward a strengthening of the commitment of all sectors to meeting the needs of working parents.

Government, however, must carefully define its mission to achieve this goal. It is not sufficient to consider employer involvement in child care as the end result of Government initiatives. Far more can be achieved if Government remains committed more generally to a goal of improving and expanding services to working parents. In this way, employer support becomes one means of reaching that end, rather than the end itself.

This broader mission can provide assistance to more parents and can ultimately involve more employers in a greater range of family supportive activities. I trust that the select committee understands this broader mission and I offer the resources of the conference board in helping define the role of the business community in it.

Thank you.

[Prepared statement of Dana E. Friedman follows:]

PREPARED STATEMENT OF DANA E. FRIEDMAN, ED.D., SENIOR RESEARCH FELLOW, WORK AND FAMILY INFORMATION CENTER, THE CONFERENCE BOARD

The Work and Family Information Center is a national clearinghouse of information on corporate practices that support the family. It is housed within The Conference Board, a nonprofit business research organization and serves both employers interested in child care and other family benefits as well as the array of community-based organizations and government agencies attempting to assist employers in these efforts. In addition to this daily contact with employers and service providers, my understanding of the burgeoning movement in employer-supported child care is the result of several national research projects and attendance at more than one hundred conferences on the subject of employer-supported child care. The most revealing insights were made during my participation in the child care subcommittee of President Reagan's Private Sector Initiatives Task Force. It is from the employer's perspective that I now offer my comments to the Select Committee on Children, Youth and Families on the system of child care in the United States.

For the past 6 years, there has been a continuing growth in the number of employers providing child care assistance. In a relative sense, the estimated 1,000 employers currently providing some form of child care assistance represents a phenomenal growth. In an absolute sense, however, given the existence of 6 million employers nationwide, these 1000 employers underscore the slow, cautious response of the business community and the limited number of working parents benefitting from private sector involvement.

Yet still, even with this limited involvement to date, the current and potential involvement of employers in our child care system, is having dramatic effects on the delivery of child care services.

Having carefully scrutinized child care delivery in an effort to determine the most appropriate child care solution for their employees, companies are exposing major gaps and inefficiences in the system. Because employer interest in child care is created out of changes in our social and economic fabric, it can help shed light on the ways in which the child care system must also adopt to new demographics, family forms and work patterns of American families. What this testimony hopes to explain is that a child care system responsive to the new demand for child care will also be in a position to facilitate employer involvement. In turn, employer involvement is helping to identify how this reshaping of the system might occur.

Why Are Employers Interested in Child Care?

Because of economic changes, the women's movement, divorce statistics or baby boom demographics, there is a level of child care need unprecedented in this country. Some employers have become aware of this need because of their overriding concern to attract and retain a productive workforce. Clearly, the justification for employer support for child care is based on the potential for their investment to solve other management problems. This is best observed when examining the 1,000 employers currently providing child care assistance, who are primarily those experiencing a demand for labor, and who are providing child care as a recruitment tool. These firms are generally in growth industries, such as high technology, or in the service sector, including banks, insurance companies and hospitals. Recruitment needs are likely to spur more employers into the child care arena as they recognize the changing demographics of the labor pool: Approximately 80 percent of women in the workforce are of childbearing age. It is estimated that 93 percent of these women will become pregnant sometime during their work career. Since two-thirds of new entrants into the labor market will be women, particularly mothers, their needs are likely to play a vital role in management's attempts to recruit and retain a productive workforce. (It is also true that 60% of men in the workforce have spouses working. The employer response to child care is not exclusively a women's issue.)

It is important to recognize this relationship between those employers experiencing labor shortages and those providing child care benefits, for it explains why there is a geographically uneven distribution of employer-supported child care initiatives throughout the country. Silicon Valley in California, the Research Triangle in North Carolina and Route 128 firms outside Boston have expressed more interest in child care than employers in Detroit, Akron or Toledo, where industrial firms are laying off workers and not expanding their benefit packages.

Generally, however, most employers are concerned with improving productivity. Child care as a way to improve worker performance, and reduce absenteeism and turnover may become the motivation for some companies to adopt a child care program. Indeed, most child care advocates have attempted to sell child care to corporations based on its ability to improve various productivity measures.

Common sense would support the notion that a less stressed employee, unburdened by fears of their child's daily caretaking, would devote more and better attention to their jobs. However, there is very little empirical evidence to substantiate that the provision of child care will ameliorate management woes. The data appearing in most child care marketing brochures is based on a series of research efforts that collect impressions of changing work behaviors from managers. This anecdotal evidence from existing programs is overwhelmingly supportive of child care as a management tool. According to Perry's (1978) survey of 305 on-site centers to which 58 responded to questions about the effects of child care provision, 88 percent felt they increased their ability to attract employees, 72 percent reported lower absenteeism, 65 percent improved employee attitudes towards the company, 55 percent reported lower job turnover, and 36 percent felt they improved community relations. These managers based their conclusions on impressions and not empirical evidence.

According to findings from the National Employer-Supported Child Care Project, based on responses from 179 employers providing some form of child care assistance, 80 percent claimed their child care program aided recruitment efforts, two-thirds claimed that it reduced turnover, and half asserted that child care reduced absenteeism and had a positive effect on productivity.

To date, only one company has attempted an experimental study of productivity gains as a result of the child care program. The Northside Child Development Center in Minneapolis, sponsored by a consortium of businesses and spearheaded by Control Data, studied 90 employees over a 20-month period. The 30 parents using the on-site center had significantly lower turnover and absenteeism rates than parents making other child care arrangements or employees who had no children.

Empirical evidence supporting the bottom-line value of company-sponsored family supports is scanty due (1) to a lack of research, (2) to lack of models on which to base research, and (3) to the difficulty in establishing a cause-and-effect relationship between provision of child care and subsequent reductions in certain personnel problems. Many of the companies providing child care also have flextime and an interesting array of innovative benefits and work policies. How can one control for these other factors when trying to measure the true effects of day care? More longitudinal research is needed with control groups and pre-and post-tests. In the meantime, it is wise not to overpromise what provision of child care is capable of achieving, lest employers become dissapointed.

There are some jobs where the quality of work life is so poor that child care assistance of any kind would be incapable of changing the work behavior of the parent. Furthermore, it would be unfortunate if child care provision masked or replaced opportunities to improve the quality of work life for all employees.

Another reality seems to be emgerging as the result of research conducted by Arthur Emlen at the University of Portland. In a survey of 22, 000 employees in 18 companies, it was concluded that absenteeism among working parents should not be viewed as a "women's problem", but rather as a necessary "family solution." Apparently, absences due to sick children are a fact of family life and there may need to be some tolerance for such absences when employing people with young children. This reality is not often revealed in marketing efforts by child care advocates.

How Are Employers Responding?

While most employers tend to consider an on-site day care center as the only available option, no more than 80 companies and 300 hospitals sponsor such centers for their employees. Once investigated, on-site centers have limited appeal because of high start-up and operating costs, commuting patterns of employees, complex government regulations and the limited number of employees who can use the center because of its size, location, the ages of children served or the type of curriculum chosen.

From The Conference Board's experience, most employers appear relieved to learn that there are alternatives to providing on-site facilities. Some are sponsoring services such as family day care home networks, after school programs and sick child care services. Other employers focus on helping their employees locate available child care services through information and referral programs and parent education seminars. Since child care became a nontaxable benefit under the 1981 Economic Recover Tax Act, many employers have turned to an interesting array of financial mechanisms that help their employees pay for child care. Finally, alternative work scheduling and parental leave policies have been shown to be of significant help to working parents in their efforts to balance child care and work responsibilities.

It is easier to understand the limited appeal of the on-site center when considering employer-supported child care in light of broader management concerns. Corporations are changing benefit policies and work scheduling to accomodate a new diversity in the workforce. Flexibility thus becomes the hallmark of new management innovation. Consider three of the more popular initiatives today: flexible benefits, flextime and flexiplace (work at home).

There is also a diversity of need and preference among working parents. One day care center for a specific age group with a particular curriculum cannot satisfy that diversity. Employers, therefore, have become more interested in developing programs that allow employees to choose their own child care arrangements in order to serve as many employees with child care needs as possible. Given escalating benefit costs, which now comprise as much as 40 percent of base wages, employers are also interested in finding a generally low cost solution to the child care problem.

For these reasons, what is emerging is a preference for information and referral, financial assistance programs, and contributions to local programs — mechanisms that rely on the existing system of child care. One of the major misconceptions about the potential of increasing business support to child care is that it will, on its own, expand the supply and improve the quality of child care services. In fact, it is often the limited supply and poor quality of existing systems of child care that inhibits employer contributions to child care solutions. The national study I conducted for the Carnegie Corporation confirms this assertion. It was found that some corporate characteristics typify those employers willing to consider child care assistance. The size, location, industry type, and female employee intensiveness of a company all play a role in influencing an employer's interest in child care. However, the highest levels of employer-supported child care were observed in communities where there existed also an efficient and adequate supply of child care. As a result, companies could pursue a variety of child care initiatives. The sophistication of the child care market actually facilitated corporate involvement; in fact it became a necessary, and sometimes, sufficient, factor in assuring growth in employer-supported child care. The recognition of this factor becomes critical for defining government's role and developing public-private partnerships for supporting working parents.

Information and Referral. Many child care advocates have begun to recognize the long term benefits of creating an infrastructure that supports a well-planned, efficient system of child care. Attending to the creation of an infrastructure for child care would imply a significant shift in policy for government. The focus, in the past, has been on direct service to providers. That form of financial support has helped create many programs and serve many children in need. While direct service remains critical, particularly for low-income populations, the explosion of need across income groups, and the diversity of that need, indicates that more systemic problem solving is necessary. This underscores the importance of information and referral (I&R) which has the capacity to create a better planned, more efficient system of child care. Becaube it is in touch with both the demand and supply of care, and can easily identify gaps in services, it can also help better target employer resources.

Employer involvement in child care is having an important effect on the child care planning process which ultimately affects the I&R system. In the past, child care needs have been assessed on a city or county-wide basis. However, when attempting to serve employees of a particular company, one may find that their needs do not conform to prescribed geographic boundaries. Employees may commute from a number of contiguous counties, or, as in the case of New York City from three other states, (Pennsylvania, Connecticut and New Jersey). The only way for employers to consider I&R for their employees is if there is some level of cooperation among I&R agencies in neighboring communities. This cooperation is necessary in the standardization of intake and supply data. It would therefore seem appropriate that some attention be paid to standardization planning and linkage building among neighboring I&R agencies.

Employers providing I&R services, perhaps 250 nationwide, usually do so by contracting with a local, community-based I&R agency. In Hartford, Connecticut and Minneapolis, Minnesota, consortia of companies created community-based I&R agencies with which each company then contracted for services for their own employees. Consider the most ambitious corporate I&R initiative begun July 1, 1984, by IBM. A national contractor has identified I&R resources in all 200 of IBM's plant sites. Computers and funds are being donated to 45 prime sites, where more than 500 IBM employees work, to handle the increased demand for referral services. IBM is interested in evaluating the effects of its child care program, but realizes that ultimately, it is the quality of the programs to which parents are referred that will have the greatest impact on the peace of mind and work behavior of IBM employees.

Some employers have decided not to provide I&R services because of their overriding concern about the quality of existing programs. Of particular concern are family day care homes. Yet, in the aftermath of the sexual abuse atrocities in a licensed California day care center, there is also awareness that licensing is not a guarantee of quality, or even, of protecting children from harm. Based on a call to The Conference Board from a California company after coverage of the sexual abuse case, it appears that some interest may be developing among employers in addressing issues of quality in child care. Yet, the training programs must be in place to which they can contribute. The state licensing offices must be adequately staffed so that the effectiveness of the training can be monitored. And the funds for paying more highly trained staff need to be raised.

Financial Assistance . When Section 129 of the IRS Code Dependent Care Assistance Plans, came into effect in January 1982 it was expected that companies would develop voucher programs modeled after Polaroid Corporation and the Ford Foundations. These employers provided funds for parents whose family incomes were less than $30,000. Yet, best estimates are that fewer than 20 employers nationwide offer child care voucher plans. However, as many as 500 employers may be offering financial assistance for child care through flexible benefits or salary reduction plans. Through these mechanisms the employee gives up other benefits or a portion of their salary in order to receive pretax dollars for child care. Here, employers are not making a dollar contribution to child care as they would in a voucher program. The one paying for this form of assistance is the federal government — hence the current examination of such plans by Congress and the IRS.

If allowed to grow, the attractiveness and logic of flexible benefits for employers will ensure their continued vitality. Child care as an option in these plans is likely to grow as well and it could become the form of child care assistance favored most by employers. While considerably helpful to middle income families, there are still lower income groups, and those working for companies without such plans, who will not receive needed financial assistance for child care.

Financial support for child care from employers is one feature of a dramatic shift occurring in both public and private sector policies affecting child care. These policies are essentially creating a "demand-side" economic model. Consider that the largest source of federal funding for child care is the child care tax credit. Rather than fund programs, the tax credit,technically, puts money into the hands of parents to purchase the child care of their choosing. In addition, a number of states are experimenting with administration of Title XX or state tax levy money through consumer voucher systems. Like the tax credit, money flows through parents before reaching programs. Finally, this demand-side trend continues with the growth in employer subsidy programs. Through employer's Dependent Care Assistance Plans, (vouchers, flexible benefits, or salary reduction), day care dollars are made available first to parents who then choose their preferred form of care. If these patterns emerge, as predicted here, the child care community in its present form, could be unprepared to respond appropriately to the new "affective" demand, i.e., parents can afford their choices. This might occur because of a limited ability to anticipate parent preferences. There have been relatively few studies of child care consumers and little is known about the dynamics of parent choice. We know some things about what parents use, but use is affected by what is available. Given all choices, what forms of child care are preferred by what kinds of families with what kinds of jobs in what types of communities? In addition, parent fees may be able to support ongoing operating costs, but what of start-up funds? The absence of resources for this purpose is one reason why we can expect the continued growth of profit-making day care chains which have the needed capital cover start-up expenses.

Conclusion

While some questions exist about the general direction of employer-supported child care (due primarily to the unknown fate of flexible benefit plans), there is little doubt that a continuing number of employers will begin following the lead of such pioneering companies as IBM, Procter and Gamble, Levi Strauss and Chemical Bank.

Yet, government must be aware that the business community will not replace all that government seems less willing or able to fund. Employers will only become a part of the child care landscape. The scope of the employer role will depend, in large part, on the quality and efficiency of the existing system of child care — a system in which government can show some leadership, particularly in new areas of child care, such as after-school programming and family day care networking, and can make some initial investment in indirect services such as information and referral and training. Such leadership can be shown when government adopts exemplary policies for its own employees for the private sector to emulate. Such has been the case with flexible work scheduling.

Attention to systemic issues is critical because there are certain parts of the country, and specific industry groups and employee populations, that will not reap the benefits of employer involvement in child care. Where possible, employer options might be encouraged that serve the entire community. In eleven states where Neighborhood Assistance Acts exist, there are 50% tax credits for companies contributing to economic development and accompanying social services. Unlike other tax credit initiatives designed specifically to encourage employer-supported child care programs, the Neighborhood Assistance Acts have worked as true incentives, and aided more needy populations.

The overall challenge to government is to direct its creative energies toward a strengthening of the commitment of all sectors to meeting the needs of working parents. Government, however, must carefully define its mission to achieve this goal. It is not sufficient to consider employer involvement in child care as the end result of government initiatives. Far more can be achieved if government remains committed to a goal of improving and expanding services to working parents. In this way, employer support becomes one means of reaching that end, rather than the end itself. This broader mission can provide assistance to more parents and can involve more employers in a greater range of family supportive activities. I trust that this Select Committee understands this broader mission and I offer the resources of The Conference Board in helping define the role of the business community in it.

Chairman MILLER. Thank you.
Dr. Tate.

STATEMENT OF DEANNA R. TATE, PH.D., DEPARTMENT CHAIRMAN AND ASSOCIATE PROFESSOR, DEPARTMENT OF CHILD DEVELOPMENT AND FAMILY LIVING, TEXAS WOMEN'S UNIVERSITY

Dr. TATE. Mr. Chairman, distinguished committee members, you are to be commended for your bipartisan child care initiatives and your efforts in behalf of children and families. Thank you for inviting me.

Employer-supported child care under the provision of the Economic Recovery Tax Act will help meet child care needs. It also is good economics. Research has been underway at Texas Woman's University since 1981 regarding these two subjects. Studies have focused on knowledge and attitudes concerning employer-supported child care and ERTA; models for community needs assessment; and cost/benefit analyses of such programs in businesses.

Some of our findings are as follows:

Managers of large and small businesses have little knowledge of employer supported child care or ERTA. On site care is the model that a few managers know. News media reporters—not tax advisors—are the primary sources of the limited knowledge.

Those who reported knowledge of ERTA were sometimes in error. Replies indicated that respondents were confusing tax provisions for individual child care tax credits with ERTA provisions for dependent care assistance.

Knowledge was easily increased. In one study, a brief educational presentation reviewing ERTA and employer-supported child care options was given to business managers. It was associated with an increasingly positive attitude toward both.

Large and small business managers were positive in attitude toward ERTA and employer-supported child care. They preferred voucher, vendor, information and referral, charitable contributions to community child care, and on-site care models—in that order.

Positive attitudes were highest in firms already using a variety of family supported work practices, such as flexible time.

We are currently evaluating cost and benefits of providing employer-supported child care under the provisions of ERTA. While not conclusive because of the small number of cases so far, the results are encouraging. We use information from a business to calculate the dollar and cents consequences of implementing employer-supported child care.

Calculations procedures were developed using a print shop with about 50 employees. With a ratio of nonexempt to exempt workers of two to one, this young, profitable business was paying few taxes because of its depreciation allowances on capital equipment. The purpose of a child care program would be to stabilize a skilled work force, costly to recruit and train. For every dollar committed to child care, this business would yield $4 in cost containment and tax savings.

A small manufacturing concern with about 85 employees had onsite child care which had been available to employees for about 3 years. This company had been collecting the type of information which made calculation of benefits over time possible. The region had an unemployment rate of under 3 percent. Turnover ranged from 50 to 100 percent. Manufacturing firms employed mostly unskilled female workers. Workers moved frequently from plant to plant.

To stabilize the mobile work force, the firm purchased a house and converted it. They spent $42,500 on renovations and startup and $30,000 annually for center operation. Twenty-six percent of the workers had 39 children in the center. Turnover dropped to under 8 percent in 12 months and under 6 percent in 36 months. Whereas before the program, the firm had four applicants for each position, they now have 20, 95 percent applying because of the child care program. Absenteeism dropped from under 10 percent to 1 percent.

The firm was able to maintain equal production with 15 less workers. Reduced expenditures occurred for all costs associated with the employment of these workers. Free media coverage was valued at more than $12,000 per year. We conservatively estimate $6 in savings for each dollar spent by this company.

Would a nonprofit organization, not paying taxes, benefit from employer-supported child care? To find out, we are studying a nonprofit hospital with nearly 4,000 employees. They want a program to help recruit and retain skilled allied health professionals. Preliminary calculations underway indicate that for each $1 spent they will save about $3.

My recommendations are to:

Continue development of policies which encourage employer-supported child care and dependent care assistance.

Develop policies which encourage dissemination of more complete information regarding these to businesses and the public. Education campaigns at local, State, and Federal levels involving broad constituencies should be supported.

Work with your congressional colleagues to monitor IRS handling of ERTA dependent care assistance rules. Cumbersome and discouraging IRS rules, always a possibility, should not be allowed to happen.

In this way, children, families, businesses, and the Nation's economy can all be aided.

[Prepared statement of Deanna R. Tate follows:]

PREPARED STATEMENT OF DEANNA R. TATE, PH.D., TEXAS WOMAN'S UNIVERSITY

Turning a New Leaf: The Economic Recovery Tax Act
and Employer-Supported Child Care

Introduction

The issue at the heart of this document is the value of the Economic Recovery Tax Act's dependent care assistance provisions. The Act's value cannot be measured only in terms of impact on families. The impact on businesses and the nation's economy must also be taken into account.

The statistics regarding families in the work force are telling, and to be sure, are well known to the members of the House Select Committee on Children, Youth, and Families. The trends are unmistakable. More and more women as well as more and more mothers are in the work force, more than at any time since records have been maintained (U.S. Department of Commerce, 1980; Children's Defense Fund, 1982). The data speak with such clarity, authorities can confidently predict that such trends will only intensify. The private sector is most able to respond quickly and efficiently to work force changes (Kamerman and Hayes, 1982).

The nation's work force needs the talents and energy of these working women, and yet because they have responded, society is presented with the need for an increasing quantity of quality child care. No longer can society count on available home workers such grandmothers, aunts, or neighbors to provide child care. They are in the work force too.

The new question becomes this: How will we as a nation foster increased capacity in the child care industry so that needed parent workers can continue to work? With the deficiency in both quality and quantity of child care we have a situation much like the problem which would exist if we had cars and drivers, but no highways.

A source of hope is the Economic Recovery Tax Act (ERTA) and its provisions for dependent care assistance programs. The ERTA has the potential to help in providing a solution to the great need for affordable quality child care. The market place is allowed to work with the support of encouraging tax regulations. The outcomes can be good for families, for businesses, and ultimately for the nation's economy.

The purpose of this paper is to summarize portions of the research conducted since 1981 at Texas Woman's University regarding the ERTA and its impact. The research permits conclussions about the state of employer-supported child care as it relates to ERTA.

Rationale

Employer-supported child care, primarily in the form of the on-site child care center, has been in existence for many years, although only a small number of enterprises were known to offer such programs. Perry (1980) reported that 105 company child care centers were identified in 1978. In 1982, 415 programs were discovered (Burud, Aschbaches, & McCroskey, 1984). Today, over 1,000 are known to exist (Schlaff, 1984). The greatly increased numbers in the last 18 months parallel the period of time that ERTA has been operational.

During this same period of time, TWU researchers were examining the state of knowledge and attitudes toward ERTA and employer-supported child care held by randomly selected employers. Currently 3 studies have been completed, two are nearing completion, and two more are underway. Four dimensions are included in the current studies: knowledge of ERTA and employer-supported child care; attitudes toward ERTA and employer-supported child care; models of needs assessment in communities of varying sizes; and cost-benefit analyses of employer-supported child care under ERTA in businesses. Full research reports are available for the concluded studies (Schiller, 1982; Oakley, 1983; and Schmidt, 1984). For this document, a summary of findings salient to the issue at hand will be presented.

Findings

The general findings are as follows:

1. Most businesses are exceedingly small. Both the studies completed by the researcher with Oakley (1983) and Schmidt (1984) generated ~~a~~ randomly selected samples of businesses with an average size of less than 10 employees.

2. Managers of large businesses of over 500 employees (Schillar, 1982) as well as small businesses have very little knowledge of employer-supported child care. The model with which they are familiar is very predominantely that of on-site care.

3. The primary source of knowledge of employer-supported child care is reports of news media-newspaper, magazine, and television reports.

4. Knowledge of the ERTA was even less than that for employer-supported child care.

5. Those business persons who perceived that they were familiar with the ERTA gleaned their knowledge from media sources, not from tax advisors.

6. Those business persons who reported knowledge of ERTA were

sometimes erroneous in their perceptions. Follow-up questions indicated that they were confusing tax provisions for individual child care tax credits with ERTA provisions for dependent care assistance.

7. Knowledge was easily increased. In one study (Schmidt, 1984), a 20-minute educational presentation was given to each business person interviewed. The presentation provided an overall understanding of ERTA provisions and was associated with an increase in degree of positive attitude regarding ERTA and employer-supported child care.

8. Employers in both large and small business were generally positive in their attitudes toward ERTA and employer-supported child care.

9. The order of preference for models of employer-supported child care were: voucher, vendor, information and referral, charitable contributions to community child care, and on-site care.

10. The relationship between percentage of parent-workers and attitude toward employer-supported child care was mixed. In smaller firms, the relationship was a positive one---the higher the percentage of parent-workers, the more positive the attitude. In larger firms (100+ employees) results were more variable.

11. Positive attitudes toward employer-supported children care and ERTA were highest in firms already utilizing a variety of family-supportive work practices such as regular part-time employment, flextime, etc.

12. A model for conducting a community-wide needs assessment (Oakley, 1983) was tested with effectiveness. The community was relatively small (population, 70,000+) so the process is currently being replicated in a major metropolitan area.

Cost-Benefit Analyses

Preliminary data is available currently for an on-going study evaluating the costs and benefits of providing employer-supported child care utilizing the tax provisions of the ERTA. These results, while not conclusive because of the small number of cases developed thus far, are encouraging. The research process involves the use of existing information regarding personnel of a business to calculate the dollar and cents consequences of implementing one or more models of employer-supported child care at one or more funding levels.

The system for the calculation was developed using a printing business with approximately 50 employees as a prototype. The business had a ratio of non-exempt to exempt workers of 2:1. The business was quite young, and although profitable, was not paying a large amount of taxes because of purchases of capitol equipment and depreciation allowances. However, the primary reasons for interest in employer-supported child care was to maintain the stability of a skilled work force. These workers were costly to recruit and train.

The calculations, when concluded, yielded a ratio of 1:4. In other words, for every dollar committed to employer-supported child care, the business would yield four dollars in cost-containment and tax savings. The business was too small to expect to operate an on-site child care program; therefore, it would be most likely to implement a voucher or vendor system.

Another case which has been used to generate cost data was a small manufacturing concern with approximately 85 employees. This business had on-site child care which had been available to employees for approximately three years. Fortunately, this company had been collecting the type of information for many years which made a calculation of the benefits over time possible.

The area, which included many comparable businesses, had an unemployment rate of 1.5 - 3.0%. Turnover ranged from 50-100%. The manufacturing enterprises utilized a high percentage of unskilled female workers. Much movement of workers from plant to plant was occurring.

The primary motivation of this company to commence an employer-supported child care program was to help stabilize this highly mobile work force. The company purchased a house which adjoined the parking lot and converted it into a child care facility, spending $42,500 on renovation and start-up. They budgeted $30,000 annually for on-going expenses of the center. Parents paid for part of the costs in fees. Not all parents needed the center: 26% of workers had 39 children in the center. The parents were split between exempt and non-exempt workers.

In the first year of operation turnover, which had been much like the prevailing patterns in the area, dropped to between 7-8%. By the third year, it was 5-6%. Whereas before the program, the firm had 4 applicants for each position, the pattern changed to 20 applicants for each position, 95% of whom reported applying because of the presence of the employer-supported child care program. Absenteeism went from 5-10% to 1%.

The firm discovered several other areas of savings. They were able to maintain the same level of production with 10 less production workers and 5 less clerical workers. They generated savings in reduced expenditures for salaries, fringe benefits, equipment, work stations, and training costs for these workers. The value of media coverage was estimated at $12,000 or more per year.

The cost-benefit analyses for this business regarding their employer-supported child care program yielded a ratio of 1:6, $6 in savings for each dollar spent. This estimate is conservative. However, it is clearly a case of spending money to make money.

In order to examine whether a non-profit organization would benefit from employer-supported child care when tax advantages are not an issue, the case study of a non-profit community hospital has been commenced. The hospital is in a major metropolitan area, and has approximately 4,000 employees. The primary motivation for considering an employer-supported child care program was to assist in the recruitment and retention of highly-skilled allied health professionals such as nurses and various types of therapists. However, any program commenced would be available to all employees.

Although the analysis for this case is not complete, preliminary calculations indicate that the ratio is likely to be 1:3. For each dollar spent, three dollars in savings would occur. The ratio is expected to be stable regardless of the model of employer-supported child care selected. Since the hospital has agreed to help the research team track their costs and benefits as they implement an employer-supported child care program, determination of the accuracy of the projections will be possible in time.

Conclusions and Discussion

The ERTA provisions for dependent care assistance positively impact businesses and families in those situations where the provisions are implemented. However, not enough businesses or employees are knowledgeable concerning the ERTA and employer-supported child care. Since attitudes are basically positive, knowledge should be the first step toward action. The use of ERTA dependent care assistance provisions could be expected to grow, and probably rapidly. A factor in that growth is helping businesses understand that employer-supported child care is cost-effective. The IRS, rather than discouraging use of these provisions through the development of cumbersome rules and regulations, should recognize that greater financial resources for the nation are generated in taxing the $6 in additional profits than in taxing the $2 ($1 for the business expenditure, $1 for the benefit received by the employee).

The greater beneficiaries are the nation's children and families. Family members must work, and the deficiency in affordable quality child care is impeding those needs. Parents should not have to make a choice between working to provide for their families economically and caring for their young. Surely, we as a nation can do better than that.

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Chairman MILLER. Ms. Carr.

STATEMENT OF IRENE CARR, STATEWIDE SECRETARY OF THE NEW YORK STATE CIVIL SERVICES EMPLOYEES ASSOCIATION, AFSCME, LOCAL 1000

Ms. CARR. I am Irene Carr, statewide secretary of the New York State Civil Services Employees Association, representing more than 200,000 public employees.

I am pleased to have this opportunity to testify in behalf of CSEA and the American Federation of State, County and Municipal Employees, the Nation's largest public employees union with whom we are proudly affiliated.

I commend your committee for holding hearings on child care. We at AFSCME believe that child care is a critical concern of all working families. We are working on this issue across the Nation but today we would like to discuss our success in New York State.

My purpose today is to tell the committee about CSEA's highly successful day care program for employees of the State of New York. This is, in our understanding, the only State sponsored, statewide day care system in the United States.

As a result of contract negotiations in 1971, CSEA, with the support and cooperation of the New York government, founded the Empire State Day Care Services, Inc. This private corporation was created to initiate day care centers and to coordinate management with the State. Once a center is open, a local board of directors made up of labor and management oversees day-to-day operations.

Today, we are operating 18 day care centers across the State of New York serving more than 1,000 children. Two more centers are pending and we are trying to expand to include after school care for school age children. The system is licensed by the New York State Day Care Center regulations which are among the most stringent and most effective in the country.

The day care centers are conveniently located in the work site, including State office buildings, State hospitals and psychiatric centers. Employees may start dropping their children off at 6 a.m. and may pick them up until 6:30 p.m. Parents may visit their children during the day and many mothers breast feed their babies during work breaks.

Children are placed in classes according to age. They receive a nutritional hot noon meal and two snacks. There is an emphasis on education and child development. Staff is skilled in child care and there is a high ratio of staff to children.

Parent's fees range from $39 to $55 a week; based on a sliding income scale.

Startup costs and equipment are paid for from a fund contributed to by CSEA and the State. These costs vary between $20,000 to $100,000, depending upon renovation and costs of the site.

The State provides space, maintenance, and utilities for each site. However, all operating costs are paid from fees. Each of the 18 existing centers are operating in the black.

Parents are very enthusiastic about the care provided at the centers. Surveys show that 88 percent of parents reporting observed positive effects in their children since they began attending the center; 83 percent worry less about their children; 92 percent said their children were eager to go each day. And 45 percent of women said the center enabled them to either become employed, remain employed, or return to work sooner than otherwise would have been possible.

AFSCME believes the New York State Day Care Program is a fine example of labor, management and government cooperation, which has produced sustaining benefits for all.

Thank you. I would like to submit for the record documents relating to our experience. I will be happy to answer any questions you may have.

[The information follows:]

Empire State Day Care Programs

As a result of the "quality of working life" initiative now developing in New York State, a network of day care centers has been established at several New York State facilities. These programs were developed by local level joint labor-management committees with seed money funding from the State Level Joint Labor-Management Committees and the Office of Employee Relations, Division of Management/Confidential Affairs and with technical assistance from Empire State Day Care Services, Inc.

Seen as a necessity for working parents by union members and as an enhancement to recruitment and retainment efforts by management, day care development has received significant support from both sides. The State Level Joint Labor-Management Committees representing the Public Employees Federation, Civil Service Employees Association, Council 82 of AFSCME, and the Office of Employee Relations Division of Management-Confidential Affairs each contribute to a seed money fund which supports the purchase of equipment and covers other start-up costs. The State provides the maintenance, space and utilities at each site. Local level joint labor-management committees with assistance from Molly Hardy, Empire State Day Care Executive Director, develop a preliminary design for each program and compose a proposal for a seed money grant. (The Children's Place at the Plaza in Albany, which was established pursuant to collective bargaining agreements in 1979, serves as a model for these other programs.) That proposal is then submitted to the Statewide Day Care Labor-Management Advisory Committee for approval. Formed for the purpose of reviewing and approving seed money proposals, the Advisory Committee represents each of the State Level Joint Labor-Management Committees and the Division of Management-Confidential Affairs.

After a proposal is approved, the local joint labor-management committee is involved with the real "work" of establishing a program. Included in this process are incorporation as an Empire State Day Care subsidiary, renovation of the site, and Department of Social Services licensing of the program. The time involved in accomplishing each part of the process varies with each circumstance and a standard period of time cannot be estimated.

Once the program opens, the local board of directors and the program director oversee day to day operations with administrative oversight provided by Empire State Day Care. Tuition is charged on a sliding fee scale and all operating costs are covered by those fees and local fundraising. An educational grant from PEF has also helped the centers with their equipment needs.

Eight new centers opened in 1982, joining the Children's Place and three other on-site centers which had been opened prior to the current Statewide initiative. Several more are expected to open during the fall of 1983 which will bring the total number of programs up to seventeen.

Following is a list of all operating and proposed Empire State Day Care Centers. Interest in on-site day care exists at other locations; only those that have received approval are noted.

Please contact Molly Hardy, Empire State Day Care at the address or number shown for further information or assistance with developing a day care program.

Attachment.

Following are the Existing Empire State Day Care Programs:

Kid Korral, Binghamton Psychiatric Center.
Nuturing World Infant and Toddler Center, Hutchings Psychiatric Center.
Children's Place at the Plaza, Empire State Plaza, Albany.
Thiells Child Center, Letchworth Village Developmental Center.
Kid Corner, Rockland Psychiatric Center.

Children's Corner, Rome Developmental Center.

Roswell Park Day Care, Roswell Park Memorial Institute.

Syracuse Developmental Center, Day Care Center.

Helmuth Day Care Center, Gowanda Psychiatric Center.

Small World Day Care, Pilgrim Psychiatric Center.

Both Helmuth and Small World Day Care were established by employee groups prior to the current statewide initiative. Both programs will incorporate under Empire State Day Care.

The following proposed sites have received approval from the Day Care Advisory Committee. All are expected to open during the Fall of 1983 unless otherwise noted:

Elmira Psychiatric Center—Correctional Facility—Open

Albany State Office Building Campus—Open

Kings Park Psychiatric Center—Open

St. Lawrence Psychiatric Center—Open

Willard Psychiatric Center—Open

Rochester Area State Employees Child Care—Open

Program designed to serve Rochester Psychiatric Center and Monroe Developmental Center employees. Program to be located on the Rochester Psychiatric Center grounds.

Suffolk State Office Building, Hauppauge—Pending

South Beach Psychiatric Center—Pending

Utica-Marcy Psychiatric Centers—Open

Advisory Committee approval has been granted for the above-mentioned sites; no opening dates have been announced.

Middletown Psychiatric Center—Open

A joint labor-management committee comprised of employees from Middletown Psychiatric Center, Goshen Center for Boys, Mid-Hudson Psychiatric Center, Mid-Orange Correctional Facility, and Otisville Correctional Facility will be submitting a proposal for funding of a program to be located at Middletown P.C. Middletown P.C. is centrally located and is close to the area where many of the employees of the participating facilities live.

FACT SHEET

Name, Address: The Children's Place at the Plaza, Swan Street Building, Box 2102, Empire State Plaza, Albany, New York 12220.

Description: Established September 1979. Day Care Center located on-site at Empire State Plaza, State office building complex. First center in the country set up by a state for state employees.

Establishment of center: Center result of negotiations between labor and management in New York State. Governor's Office of Employee Relations (Meyer S. Frucher, Director) in cooperation with Civil Service Employees Association, State's largest employee union, set up Empire State Day Care Services, Inc. Mandate of corporation is to open and operate child care centers at State facilities throughout State for children of State employees. Board of Directors includes State officials, legislators. Centers must be self-sustaining. State provides space, renovations and maintenance.

Start up funds came from Federal Health, Education and Welfare Research and Development Grant for operating an on-site infant and toddler center. Center self-sustaining since then. Operated in the black first year open. Parent fees pay all operation fees.

Children served: Primarily children of New York State employees. Capacity for 100 children, ages eight weeks through kindergarten. Waiting lists are long. Center virtually full.

Programs:

(1) Breastfeeding-Mothers may return to work and continue to nurse their infant during breaks.

(2) Full-day Kindergarten.

(3) Mainstreaming—provides for up to 10% of enrolled pre-schoolers to have handicapping conditions. Children are integrated with regular program but receive special attention as well.

(4) Children visit New York State Museum, located in Plaza; attend performances at Empire State Youth Threater Institute on premises; Firehouse and other field trips within walking distance.

Operations: Operating hours: 7:00 AM-5:30 PM daily, Monday–Friday except State holidays.

Children placed in classes according to age. Infant, Toddler I and II, Three-Year olds, Preschool and Kindergarten.

No part-time programs.

Fees are on sliding scale according to parents' income. Range $39–55. All operating costs are paid for by these parent fees.

Meals: Children receive one hot lunch, two snacks per day. Meals contracted with Dining and Kitchen Administration (DAKA), firm which services Empire State Plaza cafeterias. Good nutrition, healthy snacks are priority at the Children's Place. Snacks often prepared by older children.

Staff: Twenty three paid staff includes 21 teachers and two administrators.

Auxiliary staff includes students from local colleges, CETA employees and volunteers.

Facilities: Located in renovated office space of Swan Street Building at the Plaza. Indoors: Eight classrooms, small gym, offices and staff lounge.

Outdoors: Playground located in Plaza with several large wooden structures for climbing, swinging, crawling.

No transportation provided.

Parent involvement: Parent Advisory Committee formed to recommend to Board of Directors any changes in policy or program. All parents become members upon registration of child. Parents visit Center frequently during working day.

Evaluation of The Children's Place: Completed June 1980 by Welfare Research, Inc. Includes information about: benefits of on-site day care to employer (New York State), employee and family.

Forty five percent of women responding said Center enabled them to keep working, take jobs or return to work sooner.

Forty seven percent of respondents indicated improved work productivity.

Eighty three percent worry less about their child.

Seventy three percent of parents reporting reduced absenteeism were State employees.

Sixty two percent would have child care problems without Children's Place.

(For further results see attached summary.)

For further information please contact: Molly B. Hardy, Executive Director, Empire State Day Care Services, Inc., Agency Building 2, 12th Floor, Empire State Plaza, Albany, New York 12223, (518) 473–8714.

MOST SIGNIFICANT FINDINGS[1]

Effects on employment status

The Children's Place has had some effect on women's job status. Forty-five percent of the 58 women who responded reported the center enabled them to either remain employed, become employed, or return to work sooner than would otherwise be possible.

Thirty-five percent of the state-employed women reported the center had an impact of their ability to work or continue to work.

Effects on employee absenteeism

Seventy-three percent (11) of the parents reporting reduced absenteeism were state employees.

Eighty-one percent (9) of the state employees reporting reduced absenteeism were women.

Effects on worker productivity and satisfaction[2]

Forty-seven percent of the respondents strongly agreed or agreed their work productivity has improved since their child has been at the center.

Eight-three percent strongly agreed or agreed that they worry less about their children.

Seventy-four percent disagreed or strongy disagreed that they felt guilty leaving their child at the center each day.

Sixty-two percent agreed or strongly agreed that they would have child care problems without Children's Place.

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[1] All percentages are those of parents who responded on the questionnaire.

[2] See Graph 1.

Parent participation

The Children's Place facilitates daily contact for those parents who are able to leave their jobs to visit.

Eighty-six percent of the 14 parents who reported daily visits are mothers; 66 (12) percent of these are mother of infants.

The number of mothers participating in the breastfeeding program has grown from one in January to five in the month of May.

Center operations

Based on data for the first five months of 1980, the Children's Place has had a stable enrollment pattern, with 1-3 withdrawals each month for reasons unrelated to center operation.

There is a demand for on-site day care, based on the large numbers of children on waiting lists and telephone calls inquiring about available slots.

Only 7 percent of the parents agreed that neighborhood day care was preferable to on-site day care.

OTHER SIGNIFICANT FINDINGS [3]

Effects on employee absenteeism

Fifty-three percent (9) of the reported increased absences were among parents of infants at the center.

Mothers in general, and state-employed mothers in particular, are absent more days for reasons for child care than are fathers.

Parents who utilize on-site day care are less likely to be absent if adequate "back-up" child care is available when a child is too ill to attend.

Effects of worker productivity and satisfaction [4]

Fifty-two percent chose the Children's Place because of its location and convenience to their workplace; another 41 percent chose it for the perceived program quality they felt it would offer.

Eighty-eight percent agreed that they had observed positive effects in their children since their enrollment at the center.

Ninety-two percent agreed or strongly agreed that their children look forward to attending the center.

Parent participation

Fifty-eight percent of the Children's Place parents are interested in more social activities for center parents and children.

Sixty-five percent of the parents are interested in parent-sponsored fund-raising events.

Program policy

Sixty-two percent agreed or strongly agreed that they have the opportunity to affect Children's Place program policy.

Sixty-six percent find the tuition rates average.

Forty-two percent strong agree that employers should help subsidize child care costs.

Program components

Parents rated overall center program components as "good."

Program materials, staff and educational activities were all rated slightly above "good" by parents.

Certain aspects of center operation received only "fair" ratings—these included the availability of information on center ongoing operations.

Staff rated overall program components as slightly below "good."

The quantity and suitability of program learning materials received the lowest ratings by staff.

Staff gave "fair" or slightly below "fair" ratings on the adequacy of weekly staff meetings and training sessions.

Staff rated staffing patterns, communication, and the availability of information on center operations as "fair" or slightly above fair.

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[3] All percentages are those of parents who responded on the questionnaire.

[4] See Graph 1.

Center operations

The largest percentage of childen served at the Children's Place are white.

The median affordable tuition two-parent families indicated they could pay is $45 per week. For single parents, the highest affordable tuition was $40 per week.

Forty-four percent agreed or strongly agreed that monthly tuition is a hardship on the family budget.

Forty-eight percent of current users learned of the Children's Place through some sort of publicity.

Ninety-two percent of the parents strongly agreed or agreed that the center's current operating hours are satisfactory.

For 70 percent of the respondents, transporting their children to the center was not a problem.

Thirty-four percent rated Children's Place as better in quality than their previous form of child care.

Staff

Staff rated themselves as "adequate" or "good" in most areas of center program.

Head and assistant caregivers rated themselves slightly below adequate on knowledge of agency policies and procedures.

Staff listed 11 different areas in which they would like to receive additional training.

[Prepared statement of Irene Carr follows:]

PREPARED STATEMENT OF IRENE CARR, STATEWIDE SECRETARY, CIVIL SERVICES EMPLOYEES ASSOCIATION, STATE OF NEW YORK, AFSCME

I am Irene Carr, State-wide Secretary of the New York State Civil Services Employees Association (CSEA), representing more than 200,000 public employees.

I am pleased to have this opportunity to testify in behalf of CSEA and the American Federation of State, County and Municipal Employees (AFSCME), the nation's largest public employees union with whom we are proudly affiliated.

I commend your Committee for holding hearings on child care. We at AFSCME believe that child care is a critical concern of all working families. We are working on this issue across the nation but today we would like to discuss our success in New York State.

My purpose today is to tell the Committee about CSEA's highly successful day care program for employees of the state of New York. This is, in our understanding, the only state sponsored, state-wide day care system in the United States.

As a result of contract negotiations in 1979, CSEA, with the support and cooperation of the New York government, founded the Empire State Day Care Services, Incorporated.

This private corporation was created to initiate day care centers and to coordinate management with the state. Once a center is open, a local Board of Directors made up of labor and management oversees day to day operations.

Today, we are operating eighteen day care centers across the state of New York serving more than 1,000 children. Two more centers are pending and we are trying to expand to include after-school care for school-age children. The system is licensed by the New York State Day Care Center regulations which are among the most stringent and most effective in the country.

The day care centers are conveniently located in the work site including state office buildings, state hospitals and psychiatric centers. Employees may start droppong their children off at 6:00 a.m. and may pick them up until 6:30 p.m. Parents may visit their children during the day and many mothers breast feed their babies during work breaks.

Children are placed in classes according to age. They receive a nutritional hot noon meal and two snacks. There is an emphasis on education and child development. Staff is skilled in child care and there is a high ratio of staff to children.

Parent's fees range from $39 to $55 dollars a week; based on a sliding income scale.

Start-up costs and equipment are paid for from a fund contributed to by CSEA and the State. These costs vary between $20,000 to $100,000 depending upon renovation costs of the site.

The State provides space, maintenance and utilities for each site. However, all operating costs are paid from fees. Each of the 18 existing centers are operating in the black.

Parents are very enthusiatic about the care provided at the centers. Surveys show that 88 percent of parents reporting observed positive effects in their children since they began attending the center; 83 percent worry less about their children; 92 percent said their children were eager to go each day. And 45 percent of women said the center enabled them to either become employed, remain employed or return to work sooner than otherwise would have been possible.

AFSCME believes the New York State Day Care program is a fine example of labor, management and government cooperation which has produced sustaining benefits for all.

Thank you. I would like to submit for the record documents relating to our experience. I will be happy to answer any questions you may have.

Chairman MILLER. Thank you very much.

Dr. Friedman, in your testimony you raise one of the concerns that the committee has had, especially as we have traveled around the country and talked to employers in different regions about their relationship with the day care community and with the needs of their employees and how they might respond. It seems fairly clear that employers currently are most comfortable with the least intensive contact with the child care community, ranging from people who provide company support for on-site care, to those who prefer information and referrals. At the other end of the scale, there are perhaps those who prefer to do nothing because people generally have said they are not aware of the problem within their corporation.

You bring out a problem in your testimony—how to get involved when there aren't sufficient resources within the community to direct employees to, if the company is engaged in information and referral, or if it wants to purchase slots or help purchase slots in one of the facilities in the community. They are not there. Yet what is becoming more and more clear is that if employers don't become involved, those slots are not going to be there. We are in kind of a chicken and egg situation. Who is going to take the first step?

Representing The Conference Board, which obviously is deeply involved with employers' concerns in this area, I am just wondering in terms of your studies and others what are the barriers that are most readily raised in terms of an employer suggesting why they do not want to become involved in child care?

Dr. FRIEDMAN. I think at the outset, the improvement in the economy has clearly helped, and is one of the most significant reasons why there has been a rapid increase in employer involvement over the last 18 months. Passage of the tax laws has helped as well. But in interviews with 50 vice presidents of human resources around the country, 49 of them told me they had never heard about the issue of child care from their employees. I conducted this study 2 years ago—at a time of 10.5 percent unemployment when not too many people were waving the banner of motherhood around. However, even those women who had made it to the top levels of management were not anxious to raise family issues and let their male counterparts think they had less of a commitment to their jobs than they did.

By and large, employees are not expressing the issue to employers. This is beginning to change as companies conduct needs assessments, revise their benefits package and hold focus groups and other kinds of group discussions that help parents express these concerns.

One of the interesting features of the research in the area is that the anectodal evidence from three national studies and about eight State studies substantiate Dr. Tate's claims: companies with child care programs all feel that recruitment, absenteeism, and turnover, morale and loyalty to the company are all improved if child care is provided.

However, the interesting fact is that the companies which are providing child care do not conduct the necessary research. They seem content with their programs. However, companies not yet involved need this data if only to substantiate to upper management that their investment in child care will indeed yield a return.

Dr. TATE. That is exactly why we have undertaken the process of trying to identify companies that would work with us. In that manner we could get that kind of data from companies that were not currently operating programs and offer them some confidentiality at the same time.

Basically what the companies have said to us is that they don't want to become information dissemination agencies. They are fearful that they would be expected to do so if they collected the research data. If they begin having inquiries about it, they could be detracted from their primary purpose—whatever that agency or organization is about.

We found them very cooperative in working with us. Although it is time consuming and slow, the companies have been very excited as they had a chance to look at themselves to see what the consequences would be for them.

Chairman MILLER. One of the other issues that has been raised in the regional hearings was the very strong suggestion that there is a real lack of awareness, whether it is ignorance or intentional or whatever, about the need for child care. Certainly this is true in California and an awful lot of areas that aren't organized, where you don't sit down and have a formal collective bargaining arrangement. The question is, how do we facilitate employees—in many instances female employees—bringing this to the surface, without jeopardizing their job.

There is perhaps a consensus on this committee that we should never pit the economic well-being of family against the existence of the family. These two things should compliment one another. Yet, we know there is a clash in many families, as the economic pressures grow greater.

Dr. FRIEDMAN. There seems to be two ways in which that could occur. One is directed at the employer community. I think the President's private sector initiatives task force and the special committee on employers' options to support working families and the 20 lunches and breakfasts it held were useful in that regard.

I personally attended 150 conferences in local communities on employer-supported child care. One of the most startling moments I had when attending one of those lunches was when I relayed some statistics on child care need. I said that approximately 80 percent of women in the work force are of childbearing age and approximately 93 percent of these women are expected to get pregnant at some point during their work years. And one company president jumped up and said I just won't hire them. Then I responded, two-thirds of the new entrants into the work force will be women by 1990—you won't have a choice.

I think that made the point quite well and the discussion then took a completely different direction. That is one level of education documenting the need, then the range of options they have for satisfying that need.

On the other hand there are community groups working with parents to help them understand what the options are for their employers. A lot of employees are walking into management saying: Build a day care center. Yet it is clear that most of the companies do not want to do that. That takes both the community groups working with parents and some government agencies providing the education through conferences and publications to effectively advocate for more employer support.

Chairman MILLER. Thank you.

Mr. Marriott.

Mr. MARRIOTT. Thank you very much.

I appreciate the testimony of the panels and I want to just make a comment I would like to have you think about while I ask Ms. Carr a question. The overall concern I have is what incentive is there for anyone to start a day care center today without simply employing a lot of minimum wage employees? As I talk to people who own day care centers they tend to say they can make money if indeed all their employees are low paid type of employees.

I would like to ask you to respond to what I think is a major question on the issue and that is, what incentive is there for me or anybody else who loves kids to want to go out today and set up a day care center and can they do it without all these government subsidies?

That brings me to the New York issue, which bothers me to some extent in terms of how do you justify the taxpayers of New York paying, subsidizing day care facilities for State employees where you don't provide the same opportunities for those who are not employed by the State?

As I understand it the only reason your operation is in the black is because the state is picking up the capital costs of setting up the day care center and paying for the space, maintenance and utilities and all the fees are doing is paying for the ongoing costs. Without that heavy subsidy, your day care centers would be operating in the red, would they not?

Ms. CARR. Our day care centers would be operating in the red if it wasn't that we operate on a sliding fee scale.

I would like to point out to the committee that it has been a proven fact that having the day care on sight has improved the morale of the worker, has improved the productivity. Also, they can check on their children on their lunch hour and know that the children are being well cared for.

I would also like to point out that our workers are not high paid workers who can afford day care. They would probably be on the welfare rolls, not in self-sustaining positions. We know the statistics of single parents.

I mentioned in my testimony that there are some day care centers in psychiatric centers, developmental centers. There is a high rate of stress in the jobs that these women hold, and I might say that there are also men who have their children in the day care centers. So let's look at the total population.

I believe that the productivity is very important in the state. I believe that the state probably will be looking at more of these centers and if this were a problem I don't think that would expand.

Mr. MARRIOTT. Does the State of New York offer these benefits as part of a union negotiated package of benefits?

Ms. CARR. That is right.

Mr. MARRIOTT. Is this in lieu of some other wage or benefit that these people might have, or is it in addition to?

Ms. CARR. I would say it is in lieu of other benefits they might have. It is part of our negotiated contract. They negotiate, the State negotiated that they would offer the space, they would provide the space. Then joint efforts were made by several negotiated contracts to provide startup funds for renovation and for equipment.

Mr. MARRIOTT. If I am a businessman in New York City and I want to put together a day care center, what incentives do I have up there to do so, if my people are not employed by the government?

Ms. CARR. Well, I would think that you would have an incentive of productivity. We have in the work force today many women with small children who could not work if they did not have a place for their children. I would think you would want qualified employees.

Mr. MARRIOTT. Do I get any subsidies from the state?

Ms. CARR. As a private employer?

Mr. MARRIOTT. Yes.

Ms. CARR. I am sorry, I can't speak to a private employer. I am talking about public employees.

Mr. MARRIOTT. Do you have some specific examples of the increase in productivity and the increase in morale and the decrease of turnover, et cetera, et cetera, by the State investing in day care?

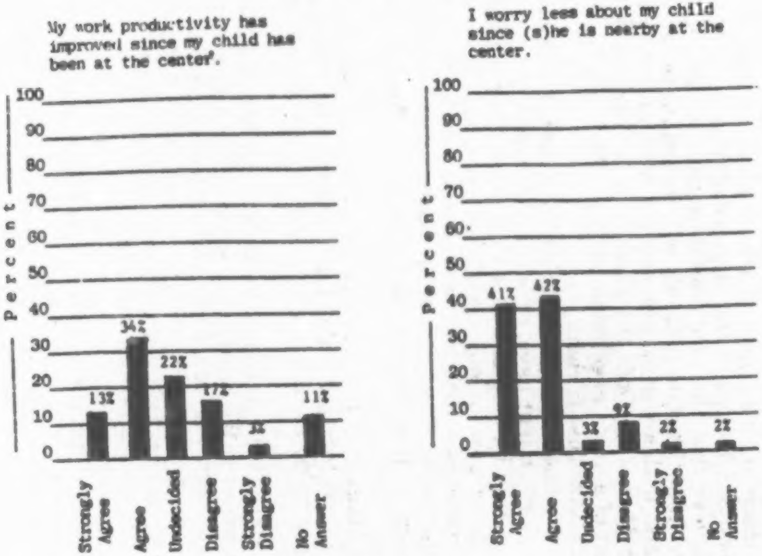
Ms. CARR. Yes sir. I spoke of this and surveys have been done that have proven this.

Mr. MARRIOTT. Could you make that available to the committee? That would be very useful if you could do that.

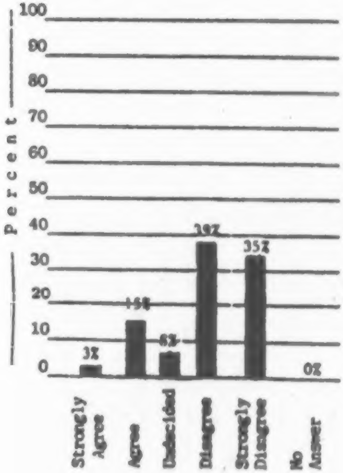
Ms. CARR. Yes, I will be glad to.

[The information follows:]

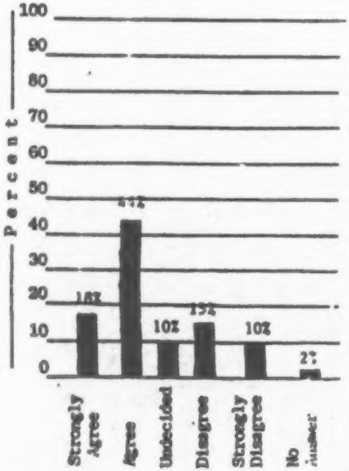
Parents' Level of Agreement to Statements Regarding Effects of Center on Worker Productivity and Satisfaction


My work productivity has improved since my child has been at the center.

I worry less about my child since (s)he is nearby at the center.



I feel guilty leaving my child at the center each day.



Without the on-site day care center, I would have child care problems.

Dr. **Friedman**. I would like to comment on the New York State initiative, which is unique. There are 17 Federal Government agencies which have day care centers, including the Senate of the U.S. Congress, as well as 11 city government agencies. I think that it is important at the very beginning stages of the movement of employer supported child care where we have a lot of convincing to do, that government serve as a role model to other employers.

Mr. **Marriott**. I am not arguing with that. It is easy for us to tap the taxpayers purses to do all these things. But I don't think that is the real world out there. The question is, what are we going to do as a society to help the small business provide day care centers for their employees when they can't tap the public purse to get the funds to do it? That is to me the weightier matter.

Dr. **Friedman**. There are tax deductions and a rapid tax amortization plan for any employer wishing to start a day care center. What the smaller employers are doing is tapping the public purse through salary reductions.

Mr. **Marriott**. That isn't tapping the public purse, all that is doing, if George here would like to reduce his income he could use it, that is a copout.

Dr. **Friedman**. Salary reduction means a reduction in Federal revenue.

Ms. **Carr**. If I may.

Mr. **Marriott**. That isn't a tax reduction at all, that is me taking less of a salary and therefore paying less taxes and theoretically using the money to buy day care. I think that is the copout of the year, if you want my opinion. I hope that is not the administration's position on how to provide incentives for day care services.

Ms. **Carr**. May I comment? All of those employees using the day care center are taxpayers and if they were not able to provide day care or get good care for their children, they possibly would not be contributing to their community with taxes.

Mr. **Marriott**. We could throw that argument to everybody in society and say if we subsidized everybody they would be more productive and we would have a lot more taxes.

Ms. **Carr**. We should try it.

Chairman **Miller**. At the risk of jumping into the middle of this debate, I think when surveying the expenditures made by the Federal Government, and other levels of government, you will find these expenditures equal to the $2 billion that we send out for middle class families to purchase child care.

Mr. **Marriott**. Tax credit.

Chairman **Miller**. Correct. There is some tax expenditure that runs throughout child care in this country.

The question to some extent is the equity of those expenditures and where they are directed.

Mr. **Marriott**. Not to dominate the time, I would like the committee to start getting into the nitty-gritty of what exactly should our policy be to private sector to give them incentive to really be in this business. Even if I wanted to go out today and start my own day care center because I love kids and I want to help kids and I don't want the Government involved in it, I can't make it.

Chairman **Miller**. I think——

Mr. MARRIOTT. I think that is a travesty and that is the issue we ought to be facing—how can I as an entrepreneur get out there and do something and make money without all these Government subsidies. And to lay on me what New York is doing with all this heavy subsidized stuff is not in the real world. That is the point I am making because that doesn't solve the need of 90 percent of the people of America.

I am not bad mouthing New York, I applaud what you are doing for your employees, but I would like to see something out there that helps the rank and file small business and small business employees who have just as big a need for day care as the State employees. How do we do it?

Chairman MILLER. I think we will let the witnesses answer.

Dr. TATE. I was going to say that one of our studies was a randomly selected sample of small business providers. A main finding was that they had written off the whole process because they didn't understand there was any possibility besides on site care. When we were able to present to them the notion there was more than one way to go about it, they were enthusiastic about doing it and saw it as something that they would want to pursue.

They have some special issues, as you can well imagine. There are just so many of them and they employ so few people that they can ill afford to set up some elaborate program for their few stable employees. If one stable employee had a preschooler but now has a child going to public school, they no longer have a need. Therefore, there are some special issues that need to be addressed for small businesses. I would certainly like to see you give some thought to that, particularly working through the Small Business Administration, or some of the other arms of Government.

Mr. MARRIOTT. In conclusion—I know my time is up—it seems to me that we need a uniform program the Government maybe sets the framework, but a uniform program that applies equality across the board, whether you are a Government employee, State employee, a private employer, whatever, there needs to be some uniform program that addresses what I think is a critical need in America and that is quality day care.

Thank you, Mr. Chairman.

Chairman MILLER. Thank you.

Congressman Anthony.

Mr. ANTHONY. Thank you. I think that we can all agree that there are more tax expenditures in the Tax Code than the one that was put in in 1981. That was only one of a multitude of things that are in there. The Tax Code is used for a lot of other reasons besides raising revenue. One of them is to motivate individuals to either do something or not to do something.

Mr. Marriott, we are trying to encourage, through the Tax Code, people to remodel their homes by putting on energy efficient windows and doors, and you can get a 15 percent credit. If you get a tax credit that is less money that goes into the Treasury. If there is less money that goes into the Treasury, that is less money that we have to authorize and appropriate through our normal process.

If we are talking about one industry that couldn't make it without a tax subsidy, I ask you to go look at the gasahol industry. Health benefits is probably the largest employer providing fringe benefit that employees have at the present time. We are losing $8 to $12 billion a year in taxable income as a result of this fringe benefit. That becomes a political problem if we try to do away with it.

I asked the first panel and I will ask this panel that very same question, why would you want to do it, or why do you support, or do you support using the Tax Code to create a national policy to encourage the development of child care centers or child care benefits, be they on-site or off-site?

Dr. Friedman. The Tax Code has been used, as you alluded, for a variety of social purposes and I think in this regard we have seen an absolute response on the part of the business community to the opportunities for child care. I don't think it happened in the way in which Congress intended. When the dependent care assistance plan was put in place the companies providing vouchers—which are actually paying for a portion of their employee's child care costs—found that the provision of child care as a nontaxable benefit made it more attractive to the employee. As tax deductible to the employer, it became more attractive again.

However, because of the 1978 Revenue Act section 129 could be incorporated with section 125, and companies started using flexible benefits to respond to child care. It is clear, if a company has a choice of providing the same level of financial assistance to an employee, on the one hand it is going to cost them $5,000 and on the other hand it will cost them zero, they well go in the direction that will cost them zero.

Flexible benefits may be a way to get a foot in the door with employers. However, there are grave inequities in the system. From a number of estimates it appears if you earn less than $20,000 it would behoove you to take advantage of the child care tax credit rather than have your salary reduced.

Mr. Anthony. The earnings figure was below or above?

Dr. Friedman. Below $20,000. You are better off taking advantage of the tax credit. I think we have already heard in the previous panel that the tax credit is also unable to meet the need of those employees earning less than $20,000, so we have two tax provisions—both the child care tax credit and salary reduction that may still not help those in greatest need.

Mr. Anthony. I guess the reason I asked why do you use the Tax Code, because as you go up through the progressive income tax rates each fringe benefit becomes more important to the higher income person up to the point where you are paying 50 percent and the Federal Treasury is being tapped 50 percent to provide that. If you are at the 14 percent level you are only getting 14 cents on the dollar. That creates some dislocations and inequities in and of itself, based on our progressive Income Tax Code.

I guess the reason I brought the question up, because we are talking about redoing the Tax Code and there are all sorts of bills floating around and the two that seem to be getting the most discussion right now is Senator Bill Bradley of New Jersey, Representative Dick Gephardt of St. Louis, where they will have three brackets, they will keep a home mortgage deduction, charity donations, and a couple of others, but there is nothing in here for child care. That will be taken away and they say your marginal rates will be less, you will have more money. So the very incentive that you are talking about, put in place in 1981, is being talked about taking it out in 1985.

Jack Kemp from Buffalo, NY, has a proposal introduced, along with Senator Kasten of Wisconsin, and they would go to one bracket, 25 percent, and they would basically say the same deductions and credits. Again the child care is one that is eliminated.

So you come in today and say it looks good for 1981 to 1984 but I am telling you that politics from 1984 to 1985 say we are getting ready to reverse roles possibly, and there is a huge cry out there to do something about the Tax Code, and I guess what bothers me over and above the disparity between the income brackets is the disparity between a rich State—I happen to represent a rural State, I have 23 counties so scattered out that our people really truly are dependent upon child care services in order to drive that 25–50 miles to get to the job.

Although the President can say we have got economic recovery, I can show you in two small counties that are lumped together we have lost 2,200 jobs in the 25-mile radius in the last 6 months. California might be doing great, but what are we going to do to insure that a rural State is going to get its fair share of the economic pie and just not creative, innovative rich States.

I think that is a very fair question that has to be asked. If you use the Tax Code it is hidden, not brought to the public's attention. If you use the authorization and appropriation process then you have got one big sticky political problem on your hands. That is, can you get it passed, can you get the money to operate it. If you get the money to operate it, are you going to have the Sun Belt States fighting the Northeast and Midwest coalitions? That is exactly what is happening in this country today. We are dividing up the pie and fighting on regionalism where we have a national policy problem on our hands. I don't see anything but difficulty in front of us. Although I acknowledge we have a terrible problem I would——

Dr. FRIEDMAN. There is no question we have got some hard choices, but I would be hard pressed to say it was the idea of child care community to use the Tax Code to fund child care. We had five attempts during the seventies to pass comprehensive, universal child care legislation. Each effort failed. The first one passed Congress but was vetoed by the President. All four efforts afterward were rejected.

There are two bills before Congress, the School Age Children Care Act, and the Information and Referral Act that have not been addressed. I am saying that there are other legislative mechanisms that have been proposed but instead it has been the Tax Code that has been used as the solution.

Chairman MILLER. Thank you.

Mrs. Johnson.

Mrs. JOHNSON. Thank you very much, and thank you all for your very interesting testimony. I will keep my questions very brief because we have a long agenda today and tomorrow.

I am just curious as to whether any of you have done any experiments. In Connecticut we have a tax credit for day care and we had that before the Federal Government did. We have been struggling with some of the same things. I am becoming more and more interested in what I am beginning to hear from my constitutents. An employer in my district opened his plant, which produces skis, on the basis of a 10 hour, 4 day week. Now there is an unbelievable amount of interest in working there.

It seems to me that, to get back to Congressman Coats comment earlier on, what are we doing to reduce the demand? We really aren't thinking very creatively about private sector policies that we should be encouraging business to pursue to reduce the demand. One very obvious policy is to prevent companies with Federal contracts from having 10 hour workdays unless they pay 2 hours of that with overtime, and maybe we should be looking at those kinds of policies, because a young family then could be reduced to a day care need of 3 days a week rather than 5 days. This would give the father 1 day with the kids, the mother 1 day with the kids, which may be, frankly, a much more humane, healthier solution for both parents as well as for the children.

But we are not looking at that. We are not talking about that. Is anybody doing anything but research? How would you suggest we help you do that?

Dr. **Friedman**. I would say there are two employer initiatives that you raised. One is that in terms of the alternative work scheduling and the study conducted by General Mills in 1981, among professional women, 65 percent said they would prefer to work part time. Now, we know in most companies prorated benefits do not apply to part-time work, therefore, not only do they cut their income in half but they lose all their benefits as well.

I would also say that one of the reasons why we have an increase in demand for infant care is because we don't have adequate maternity leave. I was struck by a company out in California who we learned had a subsidy program where they paid $100 a month per employee only during the child's first year of life. The explicit intent of this voucher program was to get women to return from maternity leave sooner.

I started thinking that this is the closest thing that we have in this country to a family allowance. In Europe the entire purpose of the family allowance is to keep parent and child together, much like Mr. Coats was suggesting. Here, in this country, we are moving toward a system of employer practices that are actually designed to keep them apart. I know that business needs to be productive and get valuable women to return to the work force and that women would concur because they need the income. But how do we support a value system and culture that also helps that important bonding to exist.

Mrs. **Johnson**. I would certainly be interested in any information you run across in your work that reports on private sector personnel policy initiatives that have encouraged or resulted in shared jobs. And I agree with you the prorated benefits issue is an extremely important one, as well as the issue of more flexible work hours.

Ms. **Carr**. I might say that within New York State at this point in time there is a project which started last November called the shared work project, and it was negotiated within our contract that a registry would be developed. Our concern was the prorating of benefits. The project is moving along, the registry is being developed and——

Mrs. **Johnson**. With employers who allowed shared jobs?

Ms. **Carr**. Yes, within the State system. And next week there will be quite an extensive seminar. There is a booklet being distributed to make the worker aware of the shared project and I read some interesting statistics that it is not necessarily the women who participate in the shared work project, this is open to all workers in the State work force which we represent, about 100,000. There are other groups. I think there would be maybe 200,000 involved. So the project is moving along.

There is an executive order for a flex schedule. We do have some compressed work weeks which have been initiated in the State so those things are being carefully looked at in New York State.

Mrs. **Johnson**. Just for your information, we did have excellent testimony at a hearing shortly before the recess, on what a project Southwest Regional Education Center in Texas has done which documents that children do better in school if employers adopt personnel policies that encourage parents' awareness and participation, allowing time off for parent conferences, using the noon hour to educate about how you support children.

There is an enormous opportunity out there to alter personnel policies to make them more children sensitive and family sensitive. Any of you who want copies of the testimony, I am sure we can provide it. It is another aspect of the problem we are talking about. I would remind you and point out to you that the pension legislation that we recently passed provides more generous allowances for break-in-services than in the past. Now a worker may take up to 5 years without losing pension investment.

Mr. **Anthony** [now presiding]. Thank you.

Dr. Friedman, unfortunately during my haste to try to get all of these other tax expenditures on the record, I think I cut you short. I would like to ask you a question. Are income groups treated the same between salary reduction plans and the child credit?

Dr. **Friedman**. I don't believe so. The experience to date, a number of firms, estimates feel that for employees whose family incomes are lower than $20,000, it would behoove them to take advantage of the child care tax credit rather than have their salary reduced.

The advantages of going through salary reduction is that their expenses are reimbursed at the time when they are incurred where through the tax credit, they are only reimbursed at the end of the year.

Getting less dollar value, they may still opt for salary reduction in order to get it at the time they incur it.

J.C. Penney is one company that has calculated some levels of income, even above $30,000, where it may be better to take only a portion of your salary reduced and a take a portion of the tax, as well.

Mr. **Anthony**. I would like to have it. I serve on the Ways and Means Committee, so I am going to ask the staff over there to make an examination of this, to see if there is some disparity there, because it is important to take a look at it.

If we are going to use the Tax Code, we want to try to use it in an equitable way.

Dr. FRIEDMAN. I believe there are some people in the child care community who have very mixed feelings about salary reduction. In part, while there may be inequities, it is clear it is attractive to a number of employers. As a case in point, Proctor & Gamble may have come up with the question: if we are helping our employees pay for child care, and the care that is out there is not high quality, we must do something else.

They have created two new child care centers and an information or referral program, in addition to child care being included in their flexible benefits package. If that is where the foot goes after it gets in the door, I don't know if we should cut back on it.

Mr. ANTHONY. If you have some additional data or case studies to submit for the record, it would be very helpful on this topic.

Dr. TATE. I know of instances in which, child care providers, rather than trying to keep fees low, they actually raised fees to provide the level of revenue it would take to provide quality care. They did it with great worries it would put them out of business.

What happened was just the reverse. Rather than people wanting to leave their programs, these providers had more people than they could handle and waiting lists were generated.

Value added is the principle. People may be willing to pay for and support things that they know are quality, but have a hard time supporting the expenditure for a service that they recognize as not one of quality.

Mr. ANTHONY. Thank you for your valuable assistance to this hearing.

The next panel is composed of Bernice Weissbourd, vice chairman, National Center for Clinical Infant Programs; president, Family Focus, Inc. and Family Resource Coalition, Chicago; and vice president, National Association for the Education of Young Children.

Also Jay Belsky, Ph.D., associate professor of human development, Pennsylvania State University, and of the American Psychological Association; Claire Etaugh, Ph.D., professor of psychology, Bradley University, Illinois; Kenyon C. Burke, associate general secretary, Division of Church and Society, National Council of Churches; and Elinor Guggenheimer, executive director, Child Care Action Campaign, New York.

We will proceed in the order in which the witnesses are called. Your entire statements are accepted for the record, and you may proceed as you wish.

Bernice Weissbourd.

STATEMENT OF BERNICE WEISSBOURD, VICE CHAIRMAN, NATIONAL CENTER FOR CLINICAL INFANT PROGRAMS; PRESIDENT, FAMILY FOCUS, INC., AND FAMILY RESOURCE COALITION, CHICAGO; VICE PRESIDENT, NATIONAL ASSOCIATION FOR THE EDUCATION OF YOUNG CHILDREN

Ms. WEISSBOURD. As vice chairman of the committee on public policy and public education of the National Center for Clinical Infant Programs, which is a nonprofit corporation working to support healthy development of children in the first 3 years of life, I wish to thank the Select Committee on Children, Youth, and Families for the invitation to address you today on the child care needs of infants, toddlers and their families.

It is not enough to say the issue is pertinent. The fact is, the state of care in our country today for many of our very youngest children, in the formative years of their lives, is an issue of grave concern to all committed to giving children the right start and ensuring healthy citizens for our futures.

You may well ask why there is a sense of crisis today. After all, children have lived through their first early years for generations. Let me give you some reasons:

One, today, unlike other generations, over 50 percent of mothers of children under 5 are in the work force; there has been absolutely no systematic, well-conceived, thought-out planning for provision of adequate and appropriate care for the children of these mothers.

As a nation, until this committee, we seem unaware that the problem exists.

Two, today, unlike other generations, 18 percent of the Nation's births this year will be to women aged 20 or younger, overwhelmingly single parents. There is no concerted effort to give these children of children a good start. I think everybody in this room recognizes the enormity of the risk that entails.

Three, unlike other generations, we have a body of knowledge based on research which indicates the competency of the infant and the toddler, the importance of the early years for later development, and the significance of the parent-child relationship in these years.

The committee has heard eloquent testimony from T. Berry Brazelton, Stanley Greenspan, Irving Harris and Edward Zigler, all members of the board of the National Center for Clinical Infant Programs, concerning the ways in which emotional development and learning in the first 3 years of life provide a foundation for later cognitive and intellectual development and concerning the importance of providing children with consistent, appropriate care in their earliest years to encourage healthy development and productive achievement.

We must consider that such basic capacities as learning to process information, form trusting human relationships, know cause and effect, think realistically, and plan and label feelings are all learned for the first time in the first 3 years of life.

The basis for successful learning, or for possibly chronic educational failure, has been laid by the time children are school age.

The National Center believes that finding approaches to caring for infants and toddlers which will both promote the development of the child and strengthen the family as the primary source of nurturance for young children is a challenge facing parents, families, community agencies, employers and government at every level; a challenge, and a responsibility, which our whole society must meet, and soon.

I will digress to refer to the ABC television program last night on education, and I have a sense that we had a Nation of people with tears in their eyes. There could be no more poignant picture of deprived children in their early years starting to school unable to learn.

The recommendations I make today, supported by the National Center, are based on the conviction that children under 3 need a responsive, flexible caring environment; a solid relationship with one or two people in the family; and a continuous, affectionate relationship with knowledgeable caregivers if they are cared for by adults outside the family.

PARENTAL LEAVE AND OTHER INCENTIVES FOR PARENTAL CARE AT HOME

Parents are the primary providers of care for their children and want no less than the best for them. When parents are able to remain at home with the newborn for at least 4 to 6 months, this period is likely to strengthen the infant's physical and emotional health, encourage a mutually satisfying parent-infant relationship, and prepare the parent to choose supplemental child care, if desired, which will suit the child's unique personality.

Policies for both the private and public sector which would assist families who choose to care for their infants and toddlers full-time or to combine work and child care include:

Paid infant-care leaves for parents; flexible work schedules; modified pension rules which give credit for approved infant-care leaves; and more rigorous enforcement of child support orders.

FAMILY RESOURCE PROGRAMS; FLEXIBLE CHILD CARE AND PARENT EDUCATION AND SUPPORT

Ninety-eight percent of the children in America are in families, and it is through the family, regardless of its structure, that the child receives the care, attention and love which enables him to become a healthy, productive member of society. When there is support for families, their ability to function is enhanced.

Today, there is a growing source of support for parents, particularly of infants and toddlers, and it represents a new movement in this country. It is the wide variety of family resource programs springing up all across the Nation under the auspices of informal community groups, voluntary agencies, religious organizations and other sponsors. In a few States, a network of family resource programs are organized, or in the planning stage, and being supported by State and private funds.

Family resource programs provide information on child development, practical and emotional support for parents, and a community of peers to combat the destructiveness of isolation and loneliness. They often assist parents in making child care arrangements which best suit their needs: These may include babysitting co-ops, family day care, or perhaps a parent-run cooperative child care center.

The Family Resource Coalition, a voluntary association, is organizing statewide networks of family support programs, serving as a national resource for information on family support.

The Parent Child Centers under Head Start, for parents with children birth to 3, are serving as an important model and could be strengthened to assume an expanded role in the future.

Collaboration among voluntary, private, and government agencies at the local, State, and national levels is vital in order to provide startup and continuation money for family resource programs tailored to community needs and networks of family resource programs which can assure that the experience of older, more established programs is shared with new ones.

FOR BETTER INFANT CARE: REGULATION, TRAINING, CONSUMER EDUCATION.

For the increasing numbers of parents of children under 3 who need and desire it, a choice of good supplemental child care must be available. There is no question that inadequate day care does harm children.

Recent horror stories in the press have made clear the damage done to children in the extreme situations of sexual abuse, but there is the equal tragedy of children in far greater numbers suffering from neglect in the care of unresponsive, unknowledgeble care givers.

There are approaches to assure high regulation of child care providers, voluntary accreditation of providers, training of providers and education of consumers.

STATE AND LOCAL REGULATION

In addressing the complex and challenging issues of regulation of child care, Federal, State and, local policymakers and children's advocates may work toward:

Setting State and local standards regarding adult-child ratios, environment, and nutrition, for example, which reflect current research regarding the emotional and physical impairment which inadequate child care may cause to the development of the young;

Altering licensing and registration processes for family day care homes to encourage the regulation of family day care providers and the formation of family day care networks;

Consumer education of parents about what the licensing regulations in their community do and do not monitor.

ACCREDITATION

Accreditation is another means of encouraging high quality child care. The center accreditation project of the National Association for the Education of Young Children, a nonprofit organization, will set high standards of quality to which child care programs can aspire, provide educational resources and networking opportunities to programs, and enhance public awareness of, and support for, good quality child care.

TRAINING FOR CAREGIVERS

While regulating the quality of child care programs is essential, my 30 years of working and caring for young children at a hands-on level, as an administrator, and as an advocate have convinced me that well-trained caregivers are the key to providing care which will foster children's development, particularly in the earliest years of life.

And yet, finding resources to offer significant training and salary support to attract the most qualified providers and continued education for those in the field is an uphill battle.

Fortunately, good models for caregivers training exist: What we need is a commitment to support them. These models include:

The Child Development Associate [CDA] National Credentialing Program, which focuses on the demonstrated skill of the caregiver in its training and accreditation programs.

The CDA credentials, previously limited to those working with 3- to 5-year-olds, is currently being expanded to caregivers for infants and toddlers.

But if child care providers—currently the lowest paid of all human services professionals—are to be able to upgrade their skills and achieve certification, financial resources must be provided to make this possible;

Networks of family day care providers, often under the auspices of a community organization responsive to local needs, which provide training opportunities and materials as well as an increased sense of professionalism to providers; and

Instruction in child development for students beginning in the fifth and sixth grades. Since many children are already caregivers for their younger siblings, instruction in the appropriate way to handle infants and toddlers can build on children's natural abilities and help assure better care for the next generation of children as well.

CONSUMER EDUCATION

Educating consumers about the importance of quality day care for very young children and how to recognize such care is also a vital effort.

While voluntary groups such as the Child Care Action Campaign, the Family Resource Coalition, and the National Association for the Education of Young Children, as well as visual, print, and broadcast media, are making significant progress in sharing pertinent information with parents and the general public, government at all levels should also be playing a role in helping parents know what to look for—how to look for it—and when to speak out on behalf of the needs of their children.

FINANCING INFANT DAY CARE

The recommendations I have made to support parents caring for their infants and to provide high quality care for infants and toddlers in all our communities will cost money, particularly if people taking care of children in the primary years receive compensation commensurate to their importance and value.

How will our society make the necessary investment in our future? Other Western democracies have done so. Clearly, if the commitment to children is made, a feasible plan will follow.

Parents obviously cannot bear the burden alone. Federal, State, and local governments, employers, and voluntary organizations must collaborate to find ways of addressing urgent child care needs. As such collaboration begins, we recommend that policymakers consider:

Paid infant care leave for parents of newborns as a possibly less costly alternative for them to group care for their very youngest infants; and

Recognition, in tax credits for working parents and income subsidies for those in poverty, that adequate care for infants and toddlers, requires more personnel and is therefore more expensive than care for the older children.

The importance of making whatever mechanisms are used to subsidize child care applicable, on a sliding scale, to all parents in need of child care services.

CONCLUSION

Where then is the hope for our Nation's future citizens who must carry on our national values and run our national institutions? Yes, the issue must continue to be addressed, yet we do not have the luxury of sitting by and seeing generation after generation fail to benefit from what we know are critical and vital supports to help our children develop their inborn capacities in a loving and stimulating environment.

For us, the key word is action. The National Center for Clinical Infant Programs hopes to join you in working on behalf of very young children and their families. Our staff is available to provide you with more detailed information about infant and toddler child care issues and resources, as well as about other areas of infant health, mental health, and development.

We can also put you in touch with scholars, researchers, clinicians, child advocates, family resource leaders, and program developers across the country who share these concerns.

Members of the committee have received copies of "Who Will Mind the Babies?" which provide a framework for thinking about the many policy issues involved in developing assurance of adequate child care opportunities for infants and toddlers under 3.

I have additional copies available for you here. The committee is also welcome to reproduce all or part of "Who Will Mind the Babies?" in its report of these hearings.

A new commitment to families with infants and toddlers is critical. History continues to record that research and well-planned and well-staffed programs make a difference for children. The clock is ticking for these infants born today, those who will be born tomorrow, and those yet to be conceived.

Thank you.

[Prepared statement of Bernice Weissbourd follows:]

Prepared Statement of Bernice Weissbourd, Vice-Chairman, Committee on Public Policy and Public Education, the National Center for Clinical Infant Programs, Washington, DC

IMPROVING CHILD CARE SERVICES FOR INFANTS AND TODDLERS: WHAT CAN BE DONE?

As Vice chairman of the Committee on Public Policy and Public Education of the National Center for Clinical Infant Programs, a non-profit corporation working to support healthy development of children in the first three years of life, I wish to thank the Select Committee on Children, Youth and Families for the invitation to address you today on the child care needs of infants, toddlers, and their families. It is not enough to say the issue is pertinent. The fact is the state of care in our country today for many of our very youngest children, in the formative years of their lives, is an issue of grave concern to all committed to giving children the right start and ensuring healthy citizens for our futures.

You may well ask why there is a sense of crisis today. After all, children have lived through their first early years for generations. Let me give you some reasons.

(1) Today, unlike other generations, over 50% of mothers of children under five are in the work force; there has been absolutely no systematic, well conceived thought out planning for provision of adequate and appropriate care for the children of these mothers. As a nation, we seem unaware that the problem exists;

(2) Today, unlike other generations, 40% of the nation's births this year will be to women aged 17 or younger, overwhelmingly single parents. There is no concerted effort to give these children of children a good start. I think everybody in this room recognizes the enormity of the risk that entails;

(3) Today, unlike other generations, we have a body of knowledge based on research which indicates the competency of the infant and the toddler, the importance of the early years for later development, and the significance of the parent-child relationship in these years.

The Committee has heard eloquent testimony from T. Berry Brazelton, Stanley Greenspan, Irving Harris and Edward Zigler -- all members of the Board of the National Center for Clinical Infant Programs -- concerning the ways in which emotional development and learning in the first three years of life provide a foundation for later cognitive and intellectual development and concerning the importance of providing children with consistent, appropriate care in their earliest years to encourage healthy development and productive achievement. We must consider that such basic capacities as learning to process information, form trusting human relationships, know cause and effect, think realistically, and plan and label feelings all are learned for the first time in the first three years of life. The basis for successful learning - or for possibly chronic educational failure - has been laid by the time children are school-age. The National Center believes that finding approaches to caring for infants and toddlers which will both promote the development of the child and strengthen the family as the primary source of nurturance for young children is a challenge facing parents, families, community agencies, employers and government at every level -- a challenge, and a responsibility, which our whole society must meet, and soon.

The recommendations I make today, supported by the National Center, are based on the conviction that children under three need a responsive, flexible caring environment; a solid relationship with one or two people in the family; and a continuous, affectionate relationship with knowledgeable caregivers if they are cared for by adults outside the family.

Parental leave and other incentives for parental care at home

Parents are the primary providers of care for their children and want no less than the best for them. When parents are able to remain at home with the newborn for at least 4-6 months, this period is likely to strengthen the infant's physical and emotional health, encourage a mutually satisfying parent-infant relationship, and prepare the parent to choose supplemental child care, if desired, which will suit the child's unique personality.

Policies for both the private and public sector which would assist families who choose to care for their infants and toddlers full time or to combine work and child care include:

- paid infant-care leaves for parents
- flexible work schedules
- modified pension rules which give credit for approved infant-care leaves
- more rigorous enforcement of child support orders.

Family resource programs: Flexible child care with parent education and support

Ninety-eight percent (98%) of the children in America are in families, and it is through the family, regardless of its structure that the child receives the care, attention and love which enables him to become a healthy, productive member of society. When there is support for families, their ability to function is enhanced.

Today, there is a growing source of support for parents, particularly of infants and toddlers, and it represents a new movement in this country. It is the wide variety of family resource programs springing up all across the nation under the auspices of informal community groups, voluntary agencies, religious organizations and other sponsors. In a few states a network of family resource programs are organized, or in the planning stage, and being supported by state and private funds. Family resource programs provide information on child development, practical and emotional support for parents, and a community of peers to combat the destructiveness of isolation and loneliness.

They often assist parents in making child care arrangements which best suit their needs: these may include baby-sitting coops, family day care, or perhaps a parent-run cooperative child care center. The Family Resource Coalition, a voluntary association, is organizing state-wide networks of family support programs, serving as a national resource for information on family support. The Parent Child Centers under Head Start, for parents with children birth to three, are serving as an important model and could be strengthened to assume in expanded role in the future.

Collaboration among voluntary, private and government agencies at the local, state and national levels is vital in order to provide:

o start-up and continuation money for family resource programs tailored to community needs and

o networks of family resource programs which can assure that the experience of older, more established programs is shared with new ones.

For better infant care: regulation, training, consumer education

For the increasing numbers of parents of children under three who need and desire it, a choice of good supplemental child care must be available. There is no question that inadequate day care does harm children. Recent horror stories in the press have made clear the damage done to children in the extreme situations of sexual abuse, but there is the equal tragedy of children in far greater numbers suffering from neglect in the care of unresponsive, unknowledgeable care givers. There are approaches to assure high regulation of child care providers, voluntary accreditation of providers, training of providers and education of consumers.

State and local regulation

In addressing the complex and challenging issues of regulation of child care, federal, state and local policy makers and children's advocates may work toward:

- setting state and local standards regarding adult-child ratios, environment, and nutrition, for example, which reflect current research regarding the emotional and physical impairment which inadequate child care may cause to the development of the young;

- altering licensing and registration processes for family day care homes to encourage the regulation of family day care providers and the formation of family day care networks,

- consumer education of parents about what the licensing regulations in their community do and do not monitor.

Accreditation

Accreditation is another means of encouraging high quality child care. The Center Accreditation Project of the National Association for the Education of Young Children (a non-profit organization) will set high standards of quality to which child care programs can aspire, provide educational resources and networking opportunities to programs, and enhance public awareness of, and support for, good quality child care.

Training for Caregivers

While regulating the quality of child care programs is essential, my 30 years of working and caring for young children at a "hands-on" level, as an administrator, and as an advocate have convinced me that well-trained caregivers are the key to providing care which will foster children's development, particularly in the earliest years of life. And yet finding resources to offer significant training and salary support to attract the most qualified providers and continued education for those in the field is an uphill battle. Fortunately, good models for care givers training exist: what we need is a commitment to support them. These models include:

o the Child Development Associate (CDA) National Credentialing Program, which focuses on the demonstrated skill of the caregiver in its training and accreditation programs. The CDA credentials, previously limited to those working with 3-5 years olds, is currently being expanded to care givers for infants and toddlers. But if child care providers -- currently the lowest paid of all human services professionals -- are to be able to upgrade their skills and achieve certification, financial resources must be provided to make this possible;

o networks of family day care providers, often under the auspices of a community organization responsive to local needs, which provide training opportunities and materials as well as an increased sense of professionalism to providers;

o instruction in child development for students beginning in the fifth and sixth grades. Since many children are already "caregivers" for their younger siblings, instruction in the appropriate way to handle infants and toddlers can build on children's natural abilities and help ensure better care for the next generation of children as well.

Consumer Education

Educating consumers about the importance of quality care for very young children and how to recognize such care is also a vital effort. While voluntary groups such as the Child Care Action Campaign, the Family Resource Coalition, and the National Association for the Education of Young Children as well as visual, print and broadcast media, are making significant progress in sharing pertinent information with parents and the general public, government at all levels should also be playing a role in helping parents know what to look for - how to look for it - and when to speak out on behalf of the needs of their children.

Financing Infant Day Care

The recommendations I have made to support parents caring for their infants and to provide high quality care for infants and toddlers in all our communities will cost money, particularly if people taking care of children in the primary years receive compensation commensurate to their importance and value. How will our society make the necessary investment in our future? Other Western democracies have done so. Clearly, if the commitment to children is made, a feasible plan will follow. Parents obviously cannot bear the burden alone. Federal, state and local governments, employers, and voluntary organizations must collaborate to find ways of addressing urgent child care needs. As such collaboration begins, we recommend that policymakers consider:

- paid infant care leave for parents of newborns as a possibly less costly alternative for them to group care for their very youngest infants;
- recognition, in tax credits for working parents and income subsidies for those in poverty, that adequate care for infants and toddlers requires more personnel and is therefore more expensive than care for the older children;
- the importance of making whatever mechanisms are used to subsidize child care applicable, on a sliding scale, to all parents in need of child care services.

Conclusion

Where then is the hope for our nation's future citizens who must carry on our national values and run our national institutions? Yes, the issue must continue to be addressed, yet we do not have the luxury of sitting by and seeing generation after generation fail to benefit from what we know are critical and vital supports to help our children develop their inborn capacities in a loving and stimulating environment.

For us, the key word is action. The National Center for Clinical Infant Programs hopes to join you in working on behalf of very young children and their families. Our staff is available to provide you with more detailed information about infant and toddler child care issues and resources as well as about other areas of infant health, mental health and development. We can also put you in touch with scholars, researchers, clinicians, child advocates, family resource leaders and program developers across the country who share these concerns.

Members of the Committee have received copies of "Who Will Mind the Babies?" which provide a framework for thinking about the many policy issues involved in developing assurance of adequate child care opportunities for infants and toddlers under three. I have additional copies available for you here. The Committee is also welcome to reproduce all or part of "Who Will Mind the Babies?" in its report of these hearings.

A new commitment to families with infants and toddlers is critical. History continues to record that research and well-planned and well staffed programs make a difference for children. The clock is ticking for these infants born today, those who will be born tomorrow, and those yet to be conceived.

Mr. ANTHONY. Dr. Belsky.

STATEMENT OF JAY BELSKY, PH.D., ASSOCIATE PROFESSOR OF HUMAN DEVELOPMENT, PENNSYLVANIA STATE UNIVERSITY; MEMBER, AMERICAN PSYCHOLOGICAL ASSOCIATION

Dr. BELSKY. Mr. Chairman and members of the Select Committee on Children, Youth, and Families, it is indeed an honor and a pleasure to be invited here today to testify on behalf of the American Psychological Association and the Association for the Advancement of Psychology on the subject of infant day care and child development.

I would like to take this opportunity to compliment the select committee for its commitment to improve the delivery of services to children in this country.

While the professional associations I represent here today wholeheartedly endorse your ongoing child care initiative which involves conducting hearings to examine child care services and developing policy recommendations to Congress, the views expressed in this statement are my own.

I am Dr. Jay Belsky, Associate Professor of Human Development in the Department of Individual and Family Studies at Pennsylvania State University. I have conducted research and published numerous articles on infant social and emotional development.

While I have not carried out my own research specifically on the effects of day care on infant and early childhood development, I am a recognized scholar of the day care literature who has read and digested numerous studies conducted by my colleagues around the Nation.

In 1978, and again in 1982 and 1984, I conducted an exhaustive review of the research on the effects of day care on infant and early childhood development. I am pleased to report that over the course of this period, two important changes took place in the research literature.

First, the focus of research changed from university-based, high-quality day care to the kind of center and home-based extrafamilial care typically available to families in communities throughout the Nation.

Second, increased attention was devoted to variation in day care quality and to the conditions that characterize, and the consequences of, high- and low-quality care.

In view of these changes, it is my purpose here today to summarize for you the current state of our knowledge concerning the effects of day care on child development and the conditions of quality care.

Let me turn to the effects of day care.

When we consider the effects of day care, the research evidence is compellingly consistent in demonstrating that there is absolutely no adverse effect of out-of-home care, be it in centers or in families, on children's intellectual functioning.

On the contrary, there is evidence which indicates that day care, both during the infant and preschool years, is beneficial, particularly in the case of children from economically disadvantaged households.

When we turn our attention to emotional development, typically defined by the quality of the infant's emotional bond with his or her mother, the picture is somewhat different.

Today I cannot conclude, as I did in 1978 and again in 1982, that the data show no apparent adverse effects on infant day care.

While it remains true that the majority of studies reveal only similarities between day care and home-reared children, it is also true that a sufficient number of investigations have discerned differences to cause this reviewer some concern.

Typically, what is found is that day care and home-reared infants greet their mother in the same manner following a brief, but often stressful, separation.

When differences do emerge, however, between day care and home-reared infants, they tend to indicate that the day care infants are more likely to avoid contact with their mothers as compared to the home-reared infants who are more likely to greet and approach them.

While some interpret such failure to approach and greet the mother as evidence of an insecure attachment relationship, others contend that it merely reflects an alternate style of coping with this situation.

Unfortunately, there is no consensus in my field as to whether such avoidance of the mother reflects some deficit or merely a difference in the nature of the child's relationship with his or her mother.

Worth noting, however, is the fact that there are several other studies not focused on attachment behavior which suggest that day care in the first or even the second year of life may be related to later maladjustment on the part of the child during the preschool years.

In considering the select findings I have just summarized, it is absolutely imperative that we not lose sight of the fact that the results which distinguish day care from home-reared children represent more the exception than the rule.

Nevertheless, the fact that differences have emerged in a handful of studies requires that they not be completely overlooked at these hearings.

While it would be totally inappropriate for my words to be taken out of context so as to suggest that we ought to be alarmed about the effects of infant day care or gravely fear what it is doing to our Nation's children, it is important that the evidence presented be taken into careful consideration in discussions of infant day care.

When we examine the effects of day care on preschool children's social development, that is, their relations with peers and nonparental adults, the picture that emerges is complex.

The data continue to indicate that preschoolers reared in day care are more likely to engage in both positive and negative interactions with others than are their home-reared counterparts.

That is, preschool children reared in day care tend to be more cooperative and empathetic, but at the same time, they also tend to engage in more aggressive and disobedient behavior. They simply seem more skilled at getting along in the social world, using both positive and negative strategies.

Whatever the effects of day care may be, one thing is absolutely certain, which we all must recognize. Day care is here to stay. With more women in the work force than ever before, for reasons of economic necessity or personal fulfillment, supplementary child care is a necessity in the contemporary United States.

As I turn now to conditions of quality care, let me begin by pointing out that, like care in the family, all day care is not alike. As a result, the effects of day care, like family rearing, are not the same for all children.

The effects of day care, which I have just broadly summarized, actually depend on the quality of day care. The data show very clearly that in center and family day care settings in which caregivers are affectionate, talkative, intellectually challenging, and emotionally responsive, children tend to develop well.

These children are more intellectually engaged, cooperate better with others, and are more persistent at tasks than those whose caregivers provide poorer quality care. The children receiving quality care also perform well on all sorts of evaluations of child functioning.

In view of these findings, we need to ensure that children receive quality care in center and family day care settings to promote their social, emotional, and intellectual development.

According to the research literature, it is also clear that the beneficial consequences of day care emerge when day care groups are small to modest in size, when caregivers have specialized training in child care and child development and, in the case of infants, when staff-child ratios are not in excess of 1 to 4.

These structural, easily regulated aspects of day care tend to foster growth-promoting interactions between children and their caregivers on a day-to-day basis and, thereby, promote the long-term developmental best interests of children in day care, their families and communities, and our society at large.

Thank you for the opportunity to testify on behalf of the American Psychological Association and the Association for the Advancement of Psychology on the subject of infant day care. I would be pleased to answer any questions that the committee members might have for me, either now or in writing at the conclusion of the hearing.

[Prepared statement of Jay Belsky follows:]

Prepared Statement of Jay Belsky, Ph.D., Associate Professor of Human Development, Pennsylvania State University; Member, American Psychological Association

Mr. Chairman and Members of the Select Committee on Children, Youth, and Families, it is indeed an honor and a pleasure to be invited here today to testify on behalf of the American Psychological Association and the Association for the Advancement of Psychology on the subject of infant day care and child development. I would like to take this opportunity to commend the Select Committee for its commitment to improve the delivery of services to children in this country. While the professional associations I represent here today wholeheartedly endorse your ongoing child care initiative which involves conducting hearings to examine child care services and developing policy recommendations to Congress, the views expressed in this statement are my own.

I am Dr. Jay Belsky, Associate Professor of Human Development in the Department of Individual and Family Studies at Pennsylvania State University. I have conducted research and published numerous articles on infant social and emotional development. While I have not carried out my own research specifically on the effects of day care on infant and early childhood development, I am a recognized scholar of the day care literature who has read and digested numerous studies conducted by my colleagues around the nation.

In 1978, and again in 1982 and 1984, I conducted an exhaustive review of the research on the effects of day care on infant and early childhood development. I am pleased to report that over the course of this period two important changes took place in the research literature. First, the focus of research changed from university-based, high quality day care to the kind of center and home-based extrafamilial care typically available to families in communities throughout the nation. Second, increased attention was devoted to variation in day care quality and to the conditions that characterize, and the consequences of, high and low quality care.

In view of these changes, it is my purpose here today to summarize for you the current state of our knowledge concerning the effects of day care on child development and the conditions of quality care.

Effects of Day Care

When we consider the effects of day care, the research evidence is compellingly consistent in demonstrating that there is absolutely no adverse effect of out-of-home care, be it in centers or in families, on children's intellectual functioning. On the contrary, there is evidence which indicates that day care, both during the infant and preschool years, is beneficial, particularly in the case of children from economically disadvantaged households.

When we turn our attention to emotional development, typically defined by the quality of the infant's emotional bond with his or her mother, the picture is somewhat different. Today I cannot conclude, as I did in 1978 and again in 1982, that the data show no apparent adverse effects of infant day care. While it remains true that the majority of studies reveal only similarities between day care and home-reared children, it is also true that a sufficient numbef of investigations have discerned differences to cause this reviewer some concern. Typically what is found is that day care and home-reared infants greet their mother in the same manner following a brief, but often stressful, separation. When differences do emerge, however, between day care and home-reared infants, they tend to indicate that the day care infants are more likely to avoid contact with their mothers as compared to the home-reared infants who are more likely to greet and approach them.

While some interpret such failure to approach and greet the mother, which is more typically seen in home-reared 12-to 18-month-olds, as evidence of an insecure attachment relationship, others contend that it merely reflects an alternate style of coping with this situation. Unfortunately, there is no consensus in my field as to whether such avoidance of the mother reflects some deficit or merely a difference in the nature of the child's relationship with his or her mother. Worth noting, however, is the fact that there are several other studies not focussed on attachment behavior which suggest that day care in the first or even second year of life may be related to later maladjustment on the part of the child during the preschool years.

In considering the select findings I have just summarized, it is absolutely imperative that we not lose sight of the fact that the results which distinguish day care from home-reared children represent more the exception than the rule. Nevertheless, the fact that differences have emerged in a handful of studies requires that they not be completely overlooked at these hearings. While it would be totally inappropriate for my words to be taken out of context so as to suggest that we ought to be alarmed about the effects of infant day care or gravely fear what it is doing to our nation's children, it is important that the evidence presented be taken into careful consideration in discussions of infant day care.

When we examine the effects of day care on pre-school children's social development, that is, their relations with peers and nonparental adults, the picture that emerges is complex. The data continue to indicate that preschoolers reared in day care are more likely to engage in both positive and negative interactions with others than are their home-reared counterparts. That is, pre-school children reared in day care tend to be more cooperative and empathic, but at the same time they also tend to engage in more aggressive and disobedient behavior. They simply seem more skilled at getting along in the social world, using both positive and negative strategies.

Conditions of Quality

As I turn now to conditions of quality care, let me begin by pointing out that, like care in the family, all day care is not alike. As a result, the effects of day care, like family rearing, are not the same for all children. The effects of day care, which I have just broadly summarized, actually depend on the quality of day care. The data show very clearly that in center and family day care settings in which caregivers are affectionate, talkative, intellectually challenging, and emotionally responsive, children tend to develop well. These children are more intellectually engaged, cooperate better with others, and are more persistent at tasks than those whose caregivers provide poorer quality care. The children receiving quality care also perform well on all sorts of evaluations of child functioning.

In view of these findings, we need to ensure that children receive quality care in center and family day care settings to promote their social, emotional, and cognitive development. According to the research literature, it is also clear that the beneficial consequences of day care emerge when day care groups are small to modest in size, when caregivers have specialized training in child care and child development and, in the case of infants, when staff-child ratios are not in excess of 1:4. These structural, easily regulated aspects of day care tend to foster growth-promoting interactions between children and their caregivers on a day-to-day basis and, thereby, promote the longterm developmental best interests of children in day care, their families and communities, and our society at large.

Thank you for the opportunity to testify on behalf of the American Psychological Association and the Association for the Advancement of Psychology on the subject of infant day care. I would be pleased to answer any questions that the Committee Members might have for me either now or in writing at the conclusion of the hearing.

Chairman MILLER [presiding]. Ms. Etaugh.

STATEMENT OF CLAIRE ETAUGH, PH.D., PROFESSOR OF PSYCHOLOGY, BRADLEY UNIVERSITY, ILLINOIS

Dr. ETAUGH. I appreciate the opportunity to appear before you to discuss the issue of day care. My name is Claire Etaugh. I am chairperson and professor of psychology, Bradley University, Illinois, and director of Bradley University's child study center.

We are all aware of the increased employment of women with preschool children. Women with children under the age of 3 are the fastest growing segment of the labor force, nearly 50 percent of them are now employed.

The increasing demand for child care for these young children has raised serious questions concerning the effects of such care. Like Dr. Belsky, I have reviewed the research dealing with the effects of maternal employment and day care on young children.

Having examined this research in 1974, 1980, and 1984, I can tell you that we know more now than we did in 1974. Yet, despite the fact that many studies of day care effects have been done, there is still much we don't know. This is due partially to the limitations of much of the day care research.

One limitation is that parents who choose to place their children in day care may differ in various ways from parents who do not. Any differences observed between day care children and home-reared children may reflect these parental differences rather than the effects of day care.

Another limitation concerns the measurement of day care effects. A rather narrow range of psychological outcomes has been examined, using a small number of tests, often focusing on IQ tests and laboratory measures of maternal attachment.

When no differences are found between children in day care and those in maternal care, what does this mean? That day care and maternal care have similar effects on children? Possibly. Or does it mean that the measuring instruments were not sensitive enough?

And when differences are found, it is not always clear what they mean. Consider one measure of maternal attachment: How much time children spend in physical proximity or closeness to mother.

Some studies find that day care children spend less time near mother than children reared at home. Does this mean that day care children are more maladjusted, as some have suggested? Or does it indicate that they are developmentally advanced because they are showing independent behavior at an earlier stage? Clearly, it is a problem when researchers don't agree on the meaning of a particular finding.

Another problem with day care research is that most studies have looked at short-term effects of day care and have not done long-term followups of children into later childhood and adolescence.

Still another limitation is that day care research is not representative of the care most children receive. Most studies have evaluated high quality, university-based day care centers.

Only 15 percent of care occurs in centers, and most of these centers are community-based, not university-based. We know relatively little about children cared for either in someone else's home, which is usually referred to as family day care, or in their own homes by someone other than their mother.

Yet, over 70 percent of children under 5 with employed mothers are cared for in one of these two home settings. What we do know about high quality center care indicates that it does not appear to adversely affect the young child's maternal attachment, intellectual development or social and emotional behavior. But the time has come to stop focusing on these simplistic comparisons between "day care" and "maternal care."

Day care is not homogenous nor is maternal care. It is encouraging that researchers have begun to examine how specific conditions of day care setting affect children. They are also starting to evaluate the effects of average quality community-based programs, including family day care.

Let me highlight just a few of these studies briefly.

The National Day Care Study examined a diverse group of licensed urban day care centers and found that for children under age 3, better developmental outcomes were associated with small group size, fewer children per caregiver, and caregiver training.

The importance of the caregiver-child ratio also was shown in the National Day Care Home Study, which examined regulated and unregulated urban family day care homes. These studies and others have found that additional indices of quality day care include caregivers who are caring and responsive to children's needs and who provide appropriate intellectual and verbal stimulation.

Several recent studies of community-based programs in New York City, Chicago, and Bermuda have found that variations in the quality of care within a particular type of setting are more important than the type of setting itself. Or to put it simply, good center-based care and good family day care are associated with favorable child outcomes, while less adequate care in centers and day care homes produces less favorable outcomes.

Now, what about center-based care for infants under 1 year of age? The evidence we have, and there is not much, suggests caution. One study, for example, found that elementary school children who had started full-time center care before the age of 1 year were viewed by their peers as somewhat socially and emotionally immature.

Another study found that Bermudian children who had been in center care before the age of 2 years had poorer intellectual skills at age 2 than children in family day care or at home with their mothers.

This was especially true for children who had spent many hours per week in large groups with many children per caretaker. While the negative effects of group care had disappeared by the time the children were 4, we still don't know if these effects will reappear later.

So, the evidence on center care for infants is sparse, and it is mixed. Good quality infant day care is also costly and in short supply. Because of this, many child psychologists are supporting as an alternative a nationwide policy of paid infant care leaves for mothers or fathers.

This would provide another option for working parents, one which already is available in most other industrialized nations.

Exactly which methods should be used to expand access to decent quality infant care will require further debate. Several suggestions were made earlier today by a number of panelists.

I believe we psychologists have a responsibility to inform this debate to the best of our ability, even if we don't always interpret the data in the same way. I appreciate the opportunity to address you on these issues, and I would be happy to respond to any questions you may have.

[Prepared statement of Claire Etaugh follows:]

PREPARED STATEMENT OF CLAIRE ETAUGH, PH.D., PROFESSOR OF PSYCHOLOGY, BRADLEY UNIVERSITY, ILLINOIS

DEMOGRAPHICS AND DEMANDS FOR DAY CARE

During the past 20 years, the growing percentage of mothers of preschool children in the labor force has increased the need for nonmaternal child care services (U.S. Department of Labor, 1980). Further, the demand for child care is expected to continue to rise because of projected increases in the number of young children, employed mothers, and single-parent families. The number of preschool children in two-parent homes with working mothers is expected to increase from over 6.9 million in 1980 to almost 9.4 million by 1990, an increase of 36 percent. Even more dramatically, the number of preschoolers in single-parent (usually mother-only) families with employed mothers is projected to grow from nearly 1.8 million in 1980 to nearly 2.8 million in 1990, a 57 percent increase (Select Committee on Children, Youth, & Families, 1983). Women with children under the age of 3 are the fastest growing part of the labor force (Zigler & Muenchow, 1983); by 1982 over 45 percent of them worked outside the home (Hoffman, 1984).

DISTINCTION BETWEEN MATERNAL DEPRIVATION AND DAY CARE

The growing trend toward placing children in day care has raised serious questions concerning the effects of such care on young children. The traditional belief in our society is that women must stay home with their children, particularly in the early years, in order to be good mothers (Russo, 1976). This belief is based in part on results of studies of institutionalized children living in orphanages or unstable foster homes.

These studies indicated that long-term or permanent separations of the child from the mother during the preschool years may have detrimental effects on the child's subsequent intellectual, social, and emotional development (see reviews by Rutter, 1972; Yarrow, 1964). It must be emphasized, however, that there is a great deal of difference between residential group care without parent contact and day care in which the mother and child are separated but reunited each working day, with the parents retaining their role as primary caregivers (Etaugh, 1980; Rutter, 1982).

This paper examines the effects of day care on children, particularly those under the age of 3 years. Limitations of the research findings will be noted. The need to define and examine specific conditions and dimensions of day care settings will be stressed. Finally, the importance of linkages between family and day care will be discussed.

LIMITATIONS OF RESEARCH ON DAY CARE

Studies of the effects of day care are subject to certain limitations (Clarke-Stewart, 1982; Etaugh, 1980). One problem is the difficulty of ruling out subtle differences in the backgrounds and experiences of families who either do or do not choose to place their children in various day care arrangements. Thus, any differences observed between children in day care and those in home care may not be due solely to the effects of day care.

Another limitation concerns the measurement of day care effects. A rather narrow range of psychological outcomes has been examined, using a relatively small number of tests and experimental situations. If few or no differences are found between children in various types of care settings, this does not mean that differences do not exist.

In addition, may of the studies have evaluated optimal group day care, often sponsored by a university. The care received in high-quality demonstration projects cannot be assumed to be representative of the care children received in other day care situations. Only 10 to 15 percent of day care occurs in centers (Hofferth, 1979) and only a small percentage of these centers offer research-oriented demonstration programs (Etaugh, 1980). Since the mid-1970s, however, researchers have begun to evaluate the effects of average-quality, community-based programs, including family day care .

Another problem with day care research is that most studies have looked only at short-term effects of day care. Only by following up children into the elementary school years and beyond can we assess potential long-term effects of various types of care.

Finally, researchers have focused largely on global comparisons between day-care children and home-reared children. "Day-care" is not a homogenous term, nor is "home care" for that matter. Only recently have studies begun to examine how particular dimensions and conditions of day care settings and caregivers affect various child behaviors.

SUMMARY OF RESEARCH COMPARING DAY CARE CHILDREN AND HOME-REARED CHILDREN

Studies comparing the development of day-care and home-reared children have been reviewed recently (e.g. Etaugh, 1980; Rutter, 1982). Reviewers generally conclude that high-quality day care does not appear to have adverse effects on the young child. The child's attachment to its mother is not impaired, and the mother is preferred to alternate caregivers. High-quality day care has neither adverse nor beneficial effects on the intellectual and cognitive functioning of middle-class children, but it may prevent the decline in intellectual performance frequently found in home-reared children from lower-class families. Comparisons of home-reared and day-care children do not reveal any consistent differences in social interactions with adults or with other children. However, children who begin day care prior to the age of 2 years are more likely than later-entering children to interact with their peers both in positive and in negative ways. Finally, the overall emotional adjustment of children who have experienced day care appears to be as favorable as that of home-reared children.

RECENT RESEARCH: A WIDER RANGE OF DAY CARE ARRANGEMENTS AND SPECIFIC CONDITIONS OF CARE

One of the first studies to examine the effects of infant day care in less than optimum settings was the New York City Infant Day Care Study (Golden et al., 1978). This study looked at low-income youngsters who entered center or family day care between 2 and 22 months of age. The quality of the programs ranged from excellent to poor. At 3 years of age, the center children had higher IQ scores than comparable family day care or home-reared children and did not differ from them in social-emotional development. This study also examined quality of care in different settings and found that "while there were essentially no qualitative differences between the group and family day care programs in the way caregivers interacted with children or in children's behavior, individual differences in these respects were related to children's language competence, social competence with adults, and adequacy of emotional functioning at three years of age" (Golden et al., 1978, p. 182). In other words, variations in the nature and quality of care within each type of setting was more important than the type of setting per se.

Similar results were obtained in a very recent study by Clarke-Stewart (1984), who compared middle-class 2-to 4-year-olds from a broad range of center and family day care arrangements with children without day care experience. Children attending centers scored consistently higher on measures of social, emotional, and intellectual maturity than children in family day care or at home with parents. Just as in the New York City Infant Day Care Study, Clarke-Stewart found that, within each type of care arrangement, the quality of care was significantly related to children's social and intellectual competence.

Another recent investigation which focused on the quality of day care is the National Day Care Study (Ruopp, Travers, Glantz, & Coelen, 1979). This study examined a diverse group of licensed urban day care centers which were serving (or were eligible to serve) federally subsidized children. For children ranging from 6 weeks to 5 years of age, the results indicate the importance of *group size* and *caregiver training*. For infants (6 weeks to 3 years of age), but not older preschoolers, *caregiver/child* ratio also was found to be important. More specifically, across all centers, *smaller groups* were consistently associated with better care, more socially active children, and higher gains on two developmental tests. With respect to caregiver qualifications, it was found that *caregivers with education/training relevant to young children* delivered better care with superior developmental effects for children. Finally, a *higher caregiver/child ratio* (i.e., fewer children per caregiver), was strongly related to measures of quality for infants.

The importance of both *caregiver training* and *caregiver/child ratio* also was shown in the National Day Care Home Study (Fosburg, 1981), which examined regulated and unregulated urban family day care homes. Caregivers who had some child care training tended to display more teaching, language/information activity, music/dramatic play, and comforting. However, as the number of children in the home increased, interactions of all types between the caregiver and individual children decreased.

Consistent with these results is a study by Howes (in press) which looked at 18-to 22-month-old children and their caregivers in licensed day car homes and centers. She found that caregivers in both settings who cared for fewer children, worked shorter hours, had fewer housework responsibilities, and had more experience and training in child care and child development were those who provided more facilitative social stimulation, expressed more positive affect, were more responsive to the toddlers, and were less restrictive and negative. Although Howes did not report directly on the relationship between caregiver variables and child behavior, it appears that, once again, caregiver/child ratio and caregiver training,among other things, were associated with a more favorable caregiving environment.

Studies of day care effects in Bermuda by Schwarz and his colleagues similarly indicate that differences in the quality of day care environments have important effects on children's language, social, and emotional development. It should be noted that in Bermuda, a society similar to the U.S. in social and economic conditions, 90 percent of children experience regular day care by the age of 2 years. These day care environments vary widely along such dimensions of quality as caregiver training, curriculum, child-caregiver interaction and so forth. A study of 3-to 5-year-old Bermudian children in center care (McCartney, Scarr, Phillips, Grajek, & Schwarz, 1982) found that children at the better quality centers scored higher on measures of language development, intelligence, task orientation, sociability and considerateness.

CENTER-BASED CARE FOR INFANTS UNDER ONE YEAR (AND POSSIBLY TWO YEARS) OF AGE: A CAUTIONARY NOTE

Some findings indicate that -- under some conditions -- we should be cautious about the care of young infants in centers. A study of Bermudian infants (Schwarz et al., 1981) found that 2-year-olds who had experienced predominantly center day care in the first two years of life had poorer communication skills, shorter attention spans, and were less well-adjusted than children in family day care or cared for at home. However, these results were especially marked for children who spent many hours per week in large groups and with many children per caretaker. These unfavorable conditions appeared to have stronger effects on some personality and cognitive variables in the first year of life and on other variables in the second year of life.

In one of the few investigations to look at the long-term effects of infant day care, Barton (1981) studied middle-class 8-to 10-year olds who had experienced either full-time, part-time, or no group care as infants or preschoolers. Children who had started full-time day care before the age of 12 months were most likely to misbehave, cry, and spend time alone as elementary school children. Children who began part-time care before the age of 12 months, were not as likely to show these behaviors, suggesting that the combination of full-time day care and its initiation at a very young age has the most powerful effect.

What are the alternatives to center-based care for infants? The authors of the New York City Infant Day Care Study (Golden et al., 1978) recommended family day care for children under the age of two years, not because it was found to be better for the child's development than center care (it wasn't), but because family day care is less costly, often more convenient, and may provide more individual attention to the infant. Other social scientists (e.g., Kamerman & Kingston, 1981; Zigler & Muenchow, 1983)support voluntary, paid infant-care leaves for mothers and/or fathers for periods ranging up to six months.

THE FAMILY AND THE DAY-CARE PROVIDER: MUTUALLY SUPPORTIVE CAREGIVERS

A final important issue which needs to be addressed is the concern that day care programs may usurp the family's traditional role of caregiver (e.g. Select Committee on Children, Youth, & Families, 1983). Ricciuti (1977) has pointed out that parents and day care providers need to be seen as serving mutually supportive and complementary roles. He notes that day care programs can serve to support and strengthen the role of the parents as the child's primary caregivers. Nor are these just empty words. Recent evidence suggests the importance of linkages between home and day care. Ainslie and Anderson (1982), for example, found that infants whose parents had frequent contacts with the child's substitute caregiver were more likely to be securely attached both to their mothers and their substitute caregivers. Along the same lines, Clarke-Stewart (1984), in her study described earlier, found that the more competent parents not only provided better environments for their children at home, but also chose better day care arrangements for their children. She notes, and I would echo her sentiments, that day care provides a context for child development that builds upon, but clearly does not eliminate, the impact of the parents as the most important caregiving influence on the child.

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Chairman **Miller**. Mr. Burke.

STATEMENT OF KENYON C. BURKE, ASSOCIATE GENERAL SECRETARY, DIVISION OF CHURCH AND SOCIETY, NATIONAL COUNCIL OF CHURCHES

Mr. **Burke**. I am Kenyon C. Burke, associate general secretary for the Division of Church and Society, National Council of Churches, and have held that position since 1980.

For the record, I have a doctorate in education, and we have submitted a more comprehensive statement which I will not read.

I will read an abbreviated version.

The Division of Church and Society has recently completed the most extensive study of child care in our Nation's history, surveying over 90,000 parishes in local communities to discover their role in providing child care.

This study has done much to sharpen our own understanding of the great promise of, and the great challenges to, programs serving young children in our Nation today.

Thus, the National Council of Churches is not only equipped but indeed obligated to lend its voice and share its insights regarding child care in the United States today.

The primary and inescapable conclusion of the report is that the church is the single largest provider of early childhood programs in the Nation. Perhaps as many as 40 percent of all American preschool children enrolled in early childhood programs are enrolled in such church-housed programs.

Equally startling, the study revealed the massive financial subsidy the Nation's churches make to child care programs housed within their buildings.

While the vast majority of these programs are of high quality, as defined by commonly agreed-upon quality indicators, a number of problems confront these programs, and challenge the continued provision of high quality care for young children.

The quality of child care programs is further endangered by a growing practice which we, as churches, feel especially concerned about. In recent years, the States have been disposed to exempt church programs—and sometimes other programs—from State licensing regulations.

Here we must be unequivocal. We believe it is important that under no circumstances should any child care program be exempted from prevailing regulatory standards. Our children's well-being requires it.

The regulations of basic health and safety conditions in a building program that serves young children is the appropriate, and indeed minimal, responsibility of the State and need not interfere with the free exercise of religion.

Thus, compliance will not preempt, of course, the church's active attempts to seek reform of licensing regulations. Such reform is in the best interests of young children.

Our work with the tens of thousands of programs housed in church buildings has led us to conclude that a national dialog regarding child care is long overdue.

We appeal to you today to use your good offices to initiate such a national dialog which will ultimately yield a coherent and equitable national plan for child care.

As the Nation's largest ecumenical body, we stand ready, even eager, to participate in that dialog. The participation of the churches will be guided by our vision that child care services must be:

Available to all families on an equitable basis, draw resources from all sectors of the society, support the development of the child and the stability of the family, and be regulated in such a manner that encourages the development of a variety of program types of high quality in which health and safety are assured.

The select committee has provided leadership of incalculable worth by providing this forum so urgently needed to discuss the critical issues facing young children and their families.

The committee has engendered great respect in many arenas through its broad approach to its work and the timeliness of its mandate. It is our privilege to be afforded an opportunity to express the concerns of the church and this we have tried to do today.

In closing, I would like to underscore and specify a number of the concerns so keenly brought to us as we have observed the nearly 2 million children who are cared for in church buildings each day.

One, demand for child care generally outstrips supply. Nowhere is this more critically felt than in the areas of infant care, which is so expensive to provide, and in the area of before and after-school care.

It is to these areas that governmental policy must address itself offering incentives and support sufficient to encourage providers to undertake the provision of these services.

Two, similarly, special help is needed in order for child care as an industry to begin to deal with illness within child care programs and with sick child care. More research is needed into the spread of disease in child care programs, and governmental grants can do much to dispel the confusion which presently attends these questions.

Analysis of the cost of lost work time for parents and loss of national productivity due to children's illness would illuminate the extent to which sick child care can be cost effective.

Three, in recent years, there have been many encouraging indications that business and industry increasingly recognize both self and national interest in relation to child care.

Your leadership can do much to foster this interest, provide incentives for it, and incorporate this segment of our society in the dialog about child care that must now proceed.

Four, child care programs must be offered the incentives and support they need to mainstream children with disabilities. Youngsters broken in body or mind must not be forced to endure broken spirits, too, as a consequence of exclusion.

All children will profit from the inclusion of these courageous youngsters in programs which embrace pluralism as a positive value.

Five, we cannot minimize the effects of our present policy disarray upon children and their families. Our own experience has brought us to the sad conclusion that Federal budget cuts, especially those in title XX, title IV-A, Child Care Food Program, and changes in a variety of eligibility requirements have adversely affected church-housed child care programs.

Not surprisingly those negative effects have been visited most sharply upon the working poor or lower middle-income families who need some subsidies but also have some potential to pay a portion of child care fees.

During the same period, subsidies to the middle and upper middle class families have increased in the form of more readily accessible tax credits for higher income groups.

Our ethical concern centers around the long-term effects of these class inequities upon children who are being denied quality care during instrumentally formative periods of their lives.

Six, finally, we must advocate your attention to the views, knowledge, and experience of the women and men who have long provided child care in our country. Our ecumenical child care network includes directors of 18,000 child care programs of various types in every region of America.

We have been humbled by their insight and awed by their commitment. These providers have drafted and sent to the National Council of Churches for adoption, a comprehensive child care policy statement, which has been submitted to you in support of this testimony.

We commend to your attention the voices of these and other providers.

We thank you for your kind attention, pledge ourselves to cooperative effort with you to assure the highest quality care for America's children and we have confidence that your efforts will serve our Nation and her children well; that they may all live the lives for which they were created.

Thank you.

[Prepared statement of Dr. Kenyon C. Burke follows:]

PREPARED STATEMENT OF DR. KENYON C. BURKE, ON BEHALF OF THE NATIONAL COUNCIL OF THE CHURCHES OF CHRIST IN THE UNITED STATES OF AMERICA, ON THE ISSUE OF CHILD CARE

My name is Kenyon Burke. I am the Associate General Secretary for the Division of Church and Society of the National Council of Churches of Christ in the United States of America and have held that position since 1979. I am a layperson in the Episcopal Church and I reside in New Jersey.

The National Council of Churches is the cooperative agency of thirty-one Protestant and Eastern Orthodox national religious bodies which have an aggregate membership of over 40,000,000 people. We do not presume to speak for all of those members, but for the Governing Board of the National Council of the Churches of Christ, a representative body of about 300 persons chosen by the member denominations in proportion to their size and according to their own respective processes, and for the Executive Committee, a body of about 75 persons elected by the Governing Board from its membership and including the chief executives of the most active member denominations.

The Division of Church and Society has recently completed the most extensive study of child care in our nation's history surveying over 90,000 parishes in local communities to discover their role in providing child care. This study has done much to sharpen our own understanding of the great promise of, and the great challenges to, programs serving young children in our nation today. Thus, the National Council of Churches is not only equipped but indeed obligated to lend its voice and share its insights regarding child care in the United States today.

The primary and inescapable conclusion of the report is that the Church is the single largest provider of early childhood programs in the nation. Perhaps as many as 40% of all American pre-school children enrolled in early childhood programs are enrolled in such church-housed programs. Equally startling, the study revealed the massive financial subsidy the nation's churches make to child care programs housed within their buildings.

While the vast majority of these programs are of high quality, as defined by commonly agreed upon "quality indicators," a number of problems confront these programs, and challenge the continued provision of high quality care for young children. Child care providers responding to our study report that they receive low wages and have few job benefits; they often experience feelings of isolation and sense that their work is not valued by the larger society. Such factors lead to high rates of staff turnover and a loss of some of the most able and experienced personnel.

Changing forces in the child care world have also had a destabilizing effect upon church-housed child care programs. Among these forces are: the rapid increase in demand for full-day programs which serve working parents, cutbacks and instability in federal and state funding patterns, the absence of information and referral systems, the lack of availability of start-up funds, and unpredictable patterns of involvement with child care on the part of business and industry.

The quality of child care programs is further endangered by a growing practice which we, as churches feel especially concerned about. In recent years the states have been disposed to exempt church programs (and sometimes other programs) from state licensing regulations. Here we must be unequivocal. We believe it is important that under no circumstances should *any* child care program be exempted from prevailing regulatory standards. Our children's well-being requires it.

The regulations of basic health and safety conditions in a building/program that serves young children is the appropriate, and indeed minimal, responsibility of the state and need not interfere with the free exercise of religion. Thus, compliance will not pre-empt, of course, the church's active attempts to seek reform of licensing regulations. Such reform is in the best interests of young children.

Our work with the tens of thousands of programs housed in church buildings has led us to conclude that a national dialogue regarding child care is long overdue. America can and should be a good and safe place to raise children. We appeal to you today to use your good offices to initiate such a national dialogue which will ultimately yield a coherent and equitable national plan for child care.

An equitable and comprehensive public policy will require that all programs meet a common set of minimum standards that are independent of both the method or form of payment to be made for services, thus assuring an equity in program quality for all children. Such a policy must be formulated so that it serves as an incentive for all potential sources of child care subsidy. In our view this is not a task the federal and state governments can do alone. The voluntary and private sector and business and industry must all recognize, as we have so recently done, the magnitude and importance of their involvement in child care.

As the nation's largest ecumenical body we stand ready, even eager to participate in the dialogue. The participation of the churches will be guided by our vision that child care services must be available to all families on an equitable basis, draw resources from all sectors of the society, support the development of the child and the stability of the family, and be regulated in such a manner that encourages the development of a variety of program types of high quality in which health and safety are assured.

The Select Committee has provided leadership of incalculable worth by providing this forum so urgently needed to discuss the critical issues facing young children and their families. The Committee has engendered great respect in many arenas through its approach to its work and the timeliness of its mandate. It is our privilege to be afforded an opportunity to express the concerns of the church and this we have tried to do today.

In closing, I would like to underscore and specify a number of the concerns so keenly brought to us as we have observed the nearly two million children who are cared for in church buildings each day:

1. Demand for child care generally outstrips supply. Nowhere is this more critically felt than in the areas of infant care (which is so expensive to provide) and in the area of before and after school care. It is these areas that governmental policy must address itself offering incentives and support sufficient to encourage providers to undertake the provision of these services.

2. Similarly, special help is needed in order for child care as an industry to begin to deal with illness within child care programs and with sick child care. More re-

search is needed into the spread of disease in child care programs and governmental grants can do much to dispel the confusion which presently attends these questions. Analysis of the cost of lost work time for parents and loss of national productivity due to children's illness would illuminate the extent to which sick child care can be cost effective.

3. In recent years there have been many encouraging indications that business and industry increasingly recognize both self and national interest in relation to child care. Your leadership can do much to foster this interest, provide incentives for it, and incorporate this segment of our society in the dialogue about child care that must now proceed.

4. Child care programs must be offered the incentives and support they need to "mainstream" children with disabilities. Youngsters broken in body or mind must not be forced to endure broken spirits too as a consequence of exclusion. All children will profit from the inclusion of these courageous youngsters in programs which embrace pluralism as a positive value.

5. We cannot minimize the effects of our present policy disarray upon children and their families. Our own experience has brought us to the sad conclusion that federal budget cuts, especially those in Title XX, Title IVA, Child Care Food Program, and changes in a variety of eligibility requirements have adversely affected church-housed child care programs. Not surprisingly those negative effects have been visited most sharply upon the "working poor" or lower middle income families who need some subsidies but also have some potential to pay a portion of child care fees. During the same period subsidies to the middle and upper middle class families have increased in the form of more readily accessible tax credits for higher income groups. Our ethical concern centers around the long term effects of these class inequities upon children who are being denied quality care during instrumentally formative periods of their lives.

6. Finally, we must advocate your attention to the views, knowledge and experience of the women and men who have long provided child care in our country. Our Ecumenical Child Care Network includes directors of 18,000 child care programs of various types in every region of America. We have been humbled by their insight and awed by their commitment. These providers have drafted and sent to the National Council of Churches for adoption a Comprehensive Child Care Policy Statement (which has been submitted to you in support of this testimony). We commend to your attention the voices of these and other providers.

We thank you for your kind attention, pledge ourselves to co-operative effort with you to assure the highest quality care for America's children and we have confidence that your efforts will serve our nation and her children well—that they may all live the lives for which they were created.

Thank you.

DATA SHEET

Title: Child Day Care Policy Statement.
Originating body: Division of Church and Society
Purpose: To establish a comprehensive policy base regarding child day care.

WHAT ACTION WILL THE ORIGINATING BODY TAKE IF THIS IS ADOPTED?

This statement will help undergird the work of the Division of Church and Society in monitoring and advocating equitable child care policy and in its provision of technical assistance to local parishes which provide child day care services.

[Policy Statement on Child Day Care (Proposed)]

DRAFT

I. SOCIAL AND THEOLOGICAL RATIONALE

A. The cresting tide of need

The awareness of need for child day care in the United States is not new, nor is the forging of a public policy to undergird such care. Historically, such policies were forged in times of war and national crises and were adopted to address other national priorities. Thus, public policies regarding child care have not been developed from a primary motivation to meet the needs of children or to strengthen families.

Formalized child day care, the programs provided to pre-school children outside of their homes, has only recently become a feature on the American family landscape. Late in the 19th century, "day nurseries" served factory and mill workers, the poor, and the rapidly increasing immigrant population. Day care centers sprang up during both world wars to accommodate the children of women working to support the war efforts. Any suggestion of child care outside such emergencies was once thought to be a remedial program for pathological families, but child care today has become an American norm. In the last decade child day care has emerged with a renewed vigor. Since 1980, a majority of mothers of children under five has been employed outside the home. Other trends in birthing patterns and divorce rates have contributed to the rise in the need for child care both full day and part day.

Since child care services were historically associated with families most in need, they were often looked upon with disdain. Today's economic realities have not succeeded fully in removing the stigma attached to working mothers. And the nation continues to witness dramatic changes in family life:

More parents of both genders and all socio-economic classes are entering the labor force, returning to school and job training programs.

There are more divorces, separations, and unmarried parents.

There are no indications of a future decline in the numbers of single parent families with young children.

There are more families with one or two children, thus fewer siblings are at home and there is less opportunity for children to gain important socialization experiences.

More men and women with established career patterns are having children later in life, making it more likely that they will remain in or rejoin the work force.

In the face of these trends, children's needs must be met, for the sake of children and for the sake of the family and society as a whole. Children from all income levels need care, thus access to services must be available to the poor, the middle class, racial and ethnic minorities and the affluent. Child care, at its best, is a family strengthening service, not a family re-placement service. Its objective is to support families in their efforts to provide their children with a total atmosphere conducive to meeting children's needs for wholesome mental, emotional and spiritual development.

Today most American children are the recipients of some form of child care service and, as likely as not, that service is housed in a church building. The church, like the society is generally without a coherent child care policy. The continuing absence of a national child care policy on the part of the government is not in the best interests of children. The absence on the part of the church—the largest single provider of child care—is a serious detriment to its child care ministry.

B. The role of the church

Child care is of urgent concern to all families with children and to the country. Child care must also be an urgent pastoral and prophetic concern for the church.

Today, the church plays a major and primary role as a provider of child care and child care facilities within the nation. For that reason communions are in a unique position to affect child care policies within the society. To date, the church as a whole has been unaware, ill-informed or indifferent to its role and responsibilities to the pressing national concerns of child care. In addition to its large scale role as provider the church may now find a major leadership role in the development of public policy in this area of human service.

Because of the magnitude of the present involvement of local churches in child care, the church has a deep, overriding responsibility to initiate, encourage and participate in a national dialogue on child care. Such a dialogue should ultimately yield a coherent and equitable national plan for child care. This plan should involve all sectors of society and should replace the disarray which presently characterizes child care policy. Existing policies lack coherence as well as equity for all children.

Child care concerns are not of a fleeting nature, but pose enduring issues which reach deep into the nation's life. At the heart of the debate lies the future well-being of America's children and families. The church can enrich and strengthen, as well as gain much from its leadership and participation in a national dialogue about child care.

In engaging in that national dialogue the church is consistently guided by its vision that child care services must be available to all families on an equitable basis, draw resources from all sectors of the society, support the development of the child and the stability of the family and be regulated in such a manner that encourages the development of a variety of program types of high quality in which health and safety are assured. Finally, the church comes to that dialogue prepared to acknowledge its own responsibility to work for quality child day care as a part of its larger ministry to families and the society.

C. A vocation for the church

Scripture is replete in both Old and New Testaments with instruction to the faithful to do justice and to provide nurture to persons, including the young. In its historical witness the church through its sacraments, as in baptism, and its rituals, as in dedication of infants, has sought to remain faithful to these scriptural injunctions. Family life, too, has long been and remains an important area of ministry at all levels of the life of the church. Drawing from this history, Christians today are called to service in seeking reconciliation and the biblical *shalom*—within families and within the larger society. The church seeks to offer the Good News of Christ to families and to support them in their critical activity of child rearing. The ministry of child care is yet one more way in which the Christian community is called to extend both the nurturing ministry of the church and the prophetic proclamation of justice to children, families, parishes and the society. Few in our society are as vulnerable as children, dependent as they are upon adults for all means of support—material, emotional, physical and spiritual. Called to witness to God's love and to love of neighbor in advocacy for child care, the church finds again its vocation, and individuals their ministry, in enabling persons to live the lives for which they were created.

Therefore, the church does not come to the complex question of child care devoid of resources. In addition to buildings, so commonly used to house child care programs, the church brings a theology and tradition that offer much to the pursuit of a more authentic understanding of child care.

II. THE CHURCH AS CHILD CARE ADVOCATE—IN ITS OWN LIFE

A. Toward intentional mission

Child care within local parishes must be assessed as an authentic expression of discipleship as understood by the host congregation. Thus, whether the child care program is church-operated or merely church-housed, the governing body of the church should be conscientious about its involvement in child care and its interpretation to the congregation of the importance of child care as a ministry of the church. Congregations must remember that the name, reputation and integrity in the community are called to account by all programs offered in their buildings. Parents who deliver their children at the door of the church believe that they are entrusting these children to the care of the church. The church must never, therefore, see itself solely as the landlord or custodian of a child care program. Refusing to enter casually into child care, the congregation will wish to offer all its services of work and worship to children and families which enter its doors. As a policy, congregations housing child care need to clarify their own sense of ministry, preparing printed materials to interpret its sense of ministry to others. All services of the church should be offered to families using the child care program. However, participation in a program of worship or mission should not be required as a prerequisite for participation in child care. Through use of its facilities or through the operation of a day care program, the church is carrying on a ministry which should be consistent with the larger conception of mission held by the church. A variety of conceptions of ministry may instruct the congregation in offering child care. Some of these may include;

1. *Evangelism.*—In some instances, the church will view its child care programs as outreach and evangelism intending a ministry which proclaims the Gospel of Jesus Christ in a clear and direct manner. If this is the case, the intentions and purposes should be clearly stated to parents so that their decisions can be well informed.

2. *Ministry/service.*—Child care may be a parish program intended as a service to the church's own members, an expression of pastoral care and nurture. If so, the assumption should be made explicit that participation in the child care program implies a further commitment to the church.

3. *Community ministry.*—If the church wishes to use its resources for the good of the community as a whole, either simply in housing a program or in housing and operating a program, the church must make clear that it is providing a community service without regard for religious belief, gender, class, race, or national origin and that as a program is part of a broader inclusive ministry. In such an instance, religious education is not a component of the program. Once again, the church must express clearly its expectations of the families that participate in the child care program.

4. *Ministry to unserved or underserved populations.*—The church may decide that it is called by its social justice ministry to focus its concern on children with special needs. These might include children from migrant and refugee families, children who have been abused or neglected or who may have emotional or physical disabil-

ities or for whom English is a second language. If the governing body of the church has made this determination, the church must clearly interpret its call to minister to this particular population. Criteria must be set forth defining the requirements for entrance into the program. This ministry may involve complications and will call for particular expertise, but may be the most urgently needed and most supportive for the families being served. Ordinarily these programs will be non-sectarian and have no Christain education component.

These conceptions of ministry are suggestive, not exhaustive, and do not rule out programs such as "mother's morning out", and parent co-operative nursery schools, which may represent the ministries of some churches. In each instance, the church must see itself as an inclusive community.

In all of the above categories of ministry, clear understanding of purpose and constancy are required. Congregations must avoid responding hastily to the expressed need for a child care program. It is wise to make decisions to enter the child care field only after a period of thoughtful and reflective study in order to evaluate the factors bearing on decisions and all of the possible implications of those decisions. The congregation has the responsibility to be constant in its nurture of any ministry it accepts, especially since child care necessitates day to day monitoring of activities and a concern for the general well-being of the program. In many instances, the pastor or lay persons may become advocates, or take direct responsibility for specific aspects of the child care program. In all instances, the church should understand that it has entered into a partnership with the child care program.

B. Church-operated child care programs

A church takes on additional responsibilities when it chooses to operate a child care center as a part of the congregation's own programming. These responsibilities may revolve around the following concerns:

1. *Quality of program.*—In assuming the operation of child care program, the church is giving its pledge to families that the quality of the program will be of concern to the congregation and governing body. The high standards to be maintained assume a commitment to the quality of the relationship to be achieved between staff and families so that families can place their children in the care of the church with confidence. This confidence must be gained through attention to the children's physical and emotional safety in an area that is child-centered, in an environment that encourages positive learning and growth experiences under the supervision of competent staff members. Programs must be responsive to the individual child's needs as well as his/her cultural identity. Frequent communications between staff and parents, as well as the invitation to parents to participate in decision making, will support the family.

2. *The role of the church as Christian educator in child care.*—By the very fact that the church has assumed the operation of its own child care program, and opened its doors to young children, the church is making a statement about its Christian witness and theology of mission. If the church wishes to include Christian education as a part of its child care program, parents must be made aware of the program philosophy before they make the decision to enroll their children in the program. Christian education in child care programs may find expression in a number of ways, which may include acquainting children with the biblical tradition, the history of the church and confessional creeds, Christian ethical teachings, Christian concepts of love and justice, or other subjects which the church may deem suitable for the age groups being served. In some instances churches may elect to offer programs, open to those of all faiths, which do not explicitly teach Christian doctrine but which still embrace and live by Christian ethical standards. In either care, the congregation must be explicit about its Christian education goals.

C. Conditions favoring the church's role as child care provider

As the steward of substantial resources, including real estate, capital, administrative services and health and insurance benefits, the churches are in an ideal position to make child care delivery available to families. Churches taken in the aggregate are the largest single provider of child care in the United States today. Space, location, and tax exempt status contribute to the desirability of church properties for child care programs. Of course, churches will want to consider carefully the ethical implications of their fee policies for the use of space for this ministry of child care.

In these three ways and others not mentioned in this statement, the National Council of Churches and its member communions should conscientiously and imaginatively offer their varied resources as they take on the mantle of provider of child care services and enable local parishes in a child care ministry. Thus, the church

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can serve as an advocate for child care in its own life and provide a model of stewardship for child care to the society at large.

III. THE CHURCH AS ADVOCATE FOR CHILD CARE—IN SOCIETY

A. The church's approach to advocacy

In matters of public concern, the churches have responsibility to make their voices heard. Since child care is of utmost importance to the present and future well-being of society, the church's position on child care is an appropriate public policy concern. Further, as the major provider of child care in the United States, the church has a special responsibility to help raise ethical questions about child care. It is the obligation of the church to advocate coherent, comprehensive, inclusive, and above all, equitable public policy regarding child care. As it approaches public advocacy for child care, the church must be guided by its concern for all sectors of society.

The federal government presently provides subsidies for all child care services through a variety of means to all socio-economic classes. In higher income brackets indirect subsidy is given through tax credits. In lower income groups, direct subsidy is provided. These programs were not established in a comprehensive approach to child care but rather were established in a cumulative fashion. As a result, these programs are inequitable both in the degree to which child care is subsidized, and the extent to which parents are permitted to choose programs for their children.

B. Basic advocacy issues

1. *Parental choice.*—In its advocacy for child care, the church should be vigilant in guarding the rights of parents to exercise choice in selecting appropriate child care for their children. Government subsidies must be designed to assure maximum stability for child care programs, while reserving to parents the right to choose from among programs to their liking. This goal can only be achieved by the development of policies which allow for some subsidies made directly to parents through a variety of means. In this way the interests of children, their families, and child care providers are all served.

Many factors influence and often determine decisions made by families. For example, programs must be both affordable and accessible, and they must meet requirements of appropriate location, hours of operation, ages served, and educational philosophy.

Parental choice can be maximized and enhanced by the availability of information and referral services. Such services can inform families about existing child care options, document child care needs for the use of policymakers, business and industry, assist in the development of new child care services, and support existing services through the provision of technical assistance. Children and their families of all economic levels and ethnic groups would be served by the establishment of such services. Without access to these services, families are unable to exercise necessary options.

2. *Standards of quality.*—Interwoven with all other aspects of child care are questions of standards to be maintained. Although quality is a legitimate concern in public policy matters relating to child care, the church must caution that this concern not be permitted to eliminate cultural choices, which should rightly be reserved to families. Rather, public policy should be confined to regulations concerning enforceable health and safety standards present within child care centers.

a. The importance of licensing

It is important that no child care program be exempt from securing a child care license, ordinarily issued by the state. Child care licensing is in an official acknowledgement of the public responsibility to maintain healthy, safe, and developmentally appropriate conditions for children during the time they spend in child care. Licensing is a form of consumer protection for children and their parents.

The goal of child care licensing should be to assure a level of good quality care while taking into account the different types of settings and the numbers of children served in each. Agencies charged with enforcing licensing standards should be publicly visible so that individuals caring for children know about them and can seek technical assistance from them. The standards represented in the licensing statutes should be widely disseminated so that parents will be in a better position to locate and monitor licensed child care settings. In addition to licensing statutes, health, building, and fire safety codes must also be met. The inspection, monitoring, and enforcement of all applicable statutes should be coordinated to ensure that personnel and fiscal resources are wisely used.

It is with such an understanding of licensing that the churches should urge local parishes to seek compliance with licensing statutes which provide differential standards for centers, group homes, and family homes; that include care of children from infancy through school age; that cover full-time, part-time, drop-in, and emergency care arrangements, and facilities serving children with disabilities..

b. Assuring equity in program quality

It is important that the church insist that public policy require that all programs meet a common set of minimum standards that are independent of both the method or form of payment to be made for services and the source of funds for payment, thus assuring an equity in program quality for all children. A comprehensive and equitable public policy should be formulated in such a way that it serves as an incentive for all potential sources of child care subsidy. These include federal, state, county ad local governments, business and industry and the voluntary and private sector. It is only through an equity of resources that high program quality and maximum choice for families can be assured.

C. Church exemptions: A challenge to the church's commitment

A special concern in regard to regulation is the increasing pattern of church groups that have sought to have church sponsored, operated, or housed child care programs exempted from state child care licensing regulations. In this instance the important and cherished rights of the free exercise of religion need not be impeded by government regulation. The regulations of basic health and safety condition in a building/program that serves young children is the appropriate responsibility of the state and this need not interfere with the free excercise of religion. Thus, the church should neither seek nor accept exemptions from licensing standards and indeed should be responsible for maintaining compliance with these standards in the programs that are offered within their facilities. This compliance does not preempt the church's ability and responsibility to actively seek reform of licensing regulations when that activity is warranted and in the best interest of children.

D. The well-being of providers

Child care providers as a group are often poorly paid and undervalued. As a natural part of its advocacy for child care, therefore, the church will want to work with other child advocacy groups to upgrade the image and status of child care professionals both within and outside the church. Likewise, this advocacy stance should move congregations to a concern that all providers in both church-operated and church-housed programs receive adequate remuneration and benefits consonant with their experience and education.

E. The church's social responsibility as advocate

Recognizing the unique role of churches in the provision of child care services, the church must be especially diligent and conscientious in its public advocacy for child care. Member communions of the National Council of the Churches of Chirst should:

1. Continue, through its Child Advocacy Working Group in the Division of Church and Society, to provide forum in which its member communions may be assisted to develop, coordinate and implement child care advocacy strategies.
2. Become informed about the conditions existing today and the issues involved in the design of an adequate public policy for child care.
3. Use the appropriate councils and agencies of the churches to monitor public policy at federal, state, and local levels of government..
4. Take an active part in promoting a national dialogue in which the church will help to frame the questions to be addressed in the formation of public policy.
5. Call upon staff of church agencies in Washington, D.C. and within the states who are charged with particular responsibility for the church's involvement in public policy processes, to monitor, serve as an advocate, raise issues, and bring the voice of the church to bear on child care policy development.

Chairman **Miller**. Thank you.

Mrs. Guggenheimer.

STATEMENT OF ELINOR GUGGENHEIMER, EXECUTIVE DIRECTOR, CHILD CARE ACTION CAMPAIGN, NEW YORK

Mrs. **Guggenheimer**. Mr. Chairman, distinguished members of the select committee, and the committee staff, I have submitted for the record a more detailed statement, which includes a somewhat fictional "Nation Plan."

I started in day care, personally, back in the thirties, during the time when the Federal Government was able to subsidize day care programs because of the need of jobs for teachers. During World War II, despite the fact that our budgets were strained to the breaking point in producing defense materials for our country, we were still able to provide Federal funds in order to induce women to go into the labor force.

In the fifties and sixties, day care was, in general, considered a program for families on welfare. Today, I believe we face a major national crisis.

A statement that child care facilities in this country are inadequate in quantity and too often in quality should come as no surprise to the members of this distinguished committee.

Perhaps, it is still hard for most of us to believe that children as young as 2 years of age are being sexually abused in child care centers. Nevertheless, we have known for many years that sadists are attracted to areas where there are children.

It has always required the utmost vigilance to insure that those who are dealing with the most helpless of our citizens are motivated by affection and the desire to help, instead of the urge to hurt.

I am convinced that sexual abuse is still very much an exception. What we need to do now is to make sure that the shock caused by the revelations in California, and in New York, and now in other areas, results in constructive action.

Newspaper publicity accorded to the present nightmare situations has terrified parents who, although they have no choice except to work and to place their children in care, are tormented by the fear that their children may be damaged.

Just as serious is the fear of the teachers. Anyone working with children knows how important are physical contacts and the showing of affection.

We have heard from teachers recently who have said that in view of the present mistrust, they no longer pick children up and hold them on their laps, or hug and cuddle them.

The answer immediately must be better systems of supervision, and a national plan to eliminate the chaotic situation that exists today.

We need training sessions in child care centers to bring directors of programs into continuing supervisory contact with their staffs, as well as more frequent and better-focused visits by licensing and regulatory staffs.

We need community involvement on every level so that programs do not operate in isolation. We need a national plan that will insure subsidies for those who cannot afford the cost of care.

We need trained health aides affiliated, hopefully, with hospitals who can pick children up when they have the less serious childhood diseases and stay with them until they are able to return to school, or to the day care centers or to family day care homes; tax credits for those who pay taxes and negative tax systems for those who do not; after school, holiday and vacation programs operated by our school systems for our present latchkey children, and such programs should provide enrichment in art, culture, sports, understanding of the community, and language; resource and referral centers so that parents know where to turn; networks of family day care homes around schools, in residential areas, near resource and referral centers and near industries.

We need to deal with zoning plans that inhibit family day care by calling it a business. We must encourage the involvement of employers, hospital administrators, and college faculties in the provision of child care.

And we must stimulate the growth of quality infant care. It is time, too, for the country to establish a system of maternity leave and to encourage employers to make flex-time arrangements.

We need to establish parent education programs and to develop parent education materials so that parents can judge quality and can take action when there are any serious questions about a child care program.

Licensing and regulation need to be strengthened and licensing staff needs to be instructed on how to judge the quality of programs rather than on how to worry whether each child has an individual cubby to hang his or her coat.

The Child Care Action Campaign has prepared and is distributing single-page informational sheets on 26 different subjects that are of concern to parents, child care providers, employers and employees, and to a wide variety of people in organizations.

We will be expanding back-up materials for these sheets, and we will be attempting to provide more information to parents about services that are available and about the presence of resource and referrals programs and networks of providers throughout the country.

The enormous numbers of letters that have come in to us since the formation of the Child Care Action Campaign less than a year ago has convinced us that eventually the Health and Human Services Administration must set up data banks of information, both centrally and in its regional offices.

Only Government has the capacity to store and disseminate information on the scale on which it is needed.

It will take time to catch up. We have neglected the children of our country for too long. We have burdened the families of our country with the overwhelming problem of finding adequate care which is produced now in a haphazard manner, and is surely not available to meet the current need created by the constantly increasing percentage of mothers entering the labor force.

That trend, incidentally, has to continue. The majority of women work because they have to, either as the major or sole support of their children, or for an absolutely essential second income.

All of the above add up to a total change in attitude in this country, and a conviction on the part of our Government that surely as important as the defensive weapons for the preservation of democracy, even more important is the strength of the next generation.

We are delighted that the Select Committee on Children, Youth and Families has scheduled hearings of this type, and has given us an opportunity to speak. We will be even more delighted if out of this hearing emerges national planning and the legislation required to implement the plans.

We must have, now, a complete commitment by our Government to the children of this country, and to the elimination of child neglect. We cannot wait. We cannot simply continue to collect facts or opinions. Children do not wait.

How they grow, how straight or crooked, depends on what those who have the power to make change do this year, this month, today.

[Prepared statement of Elinor Guggenheimer follows:]

PREPARED STATEMENT OF ELINOR GUGGENHEIMER, PRESIDENT, CHILD CARE ACTION CAMPAIGN

In view of the overwhelming need for a variety of child care, services must be improved both in quantity and quality. Our country has been slow in recognizing that we have had a social revolution. It will take a while before we can catch up.

I would like to take a few moments to address the current situation and to chart the direction in which I believe we should be moving.

1. Tax credits have been one form of subsidy in which our government has been interested. Unfortunately this has neither been sufficient to cover the cost of child care for lower income working families, nor has it been meaningful for families who pay no income tax. I believe that we should continue offering tax credits but that a negative tax system must be included.

2. The establishment of resource and referral centers has been another area that has gained support particularly in some states. These are important additions to the child care scene. It is essential that parents have some place in their neighborhoods where they can go for help in finding services. Every mother of a newborn child leaving a hospital should be given an informational sheet that tells her where to look in case she does require help with child care. Resource and referral centers are important but limited in value if services are not available. Basic to the success of a resource and referral system are publicity so parents know the service exists, and quality programs to which parents can be referred.

3. Infant care has become a matter of deep concern. One way to handle the problem of infant care is by having a universal system of parental leave for those mothers who wish to take a year off. Such a system must provide some pay for mothers who cannot otherwise afford to stay home, and assurance of job security.

On-site child care in plants may be important for some infant care. We have received mail from nursing mothers in one automotive plant that have asked for help in convincing the employer to establish an on-site nursery so they can bring their babies to work. The other answer for infant care is an expansion of family day care. In this area, particularly, standards and supervision are desperately needed. I do not believe that such supervision can be fully supplied by either a licensing or regulatory agency although such agencies do perform an important function. Government must begin to encourage the establishment of volunteer committees and boards that can recruit family day care homes and, whose members can visit programs regularly. Volunteer committees might well be attached to resource and referral centers.

4. We have always known that child care attracts sadists. The only way that abuse and/or neglect can be prevented is by having volunteer boards whose members assume responsibility for fund raising, for donation of additional equipment, for providing publicity, for setting policies, and most of all for being the eyes and ears of the community. Incidentally, I'm not sure how it could be made illegal for a child care provider, either in a center or family day care home, to bar parents from visiting at any time, but if that were possible it might cut back abuse and strengthen weak programs.

5. Parent education is an enormously important aspect of good child care. The best way to insure quality care is to have parents who know what to look for. Since the pattern of our society, certainly in the foreseeable future, will be one of working mothers and provision of child care by surrogates, our educational system should include courses on choosing and providing child care programs.

6. There will always be a substantial number of families who cannot afford the cost of care. It is now imperative that the Federal Government join with state and local governments in subsidizing such parents. It is also essential that this be done in such a way as to break down the present segregated system. There should be scholarships provided for children for whom the most convenient child care in their

area is private or proprietary care. There should also be a mandated percentage of children who pay the full cost of care in the federally-supported child care centers.

7. There has been a growth of interest in all-day kindergartens. In my city "all-day" kindergartens are open from nine in the morning to three in the afternoon. They are not open during holidays and summers. Nevertheless, because of the scarcity of full-time day care, as well as the cost, working mothers are using all-dey kindergartens as a substitute form of child care.

Schools have historically been charged rather narrowly with intellectual education. We know now, of course, that education must include physical and emotional growth. It is, therefore, not an unrealistic extension of responsibility to expect our school systems to offer care from 8 A.M. to 6 P.M. on a year-round basis. Obviously the hours before school do not require an active program. Someone must be available to supervise children who arrive early. The pre-class program might include breakfast and either supervised playground time or time in a library.

After-school, holidays and summer programs need to be re-thought. Depending on the age group being served, they can include trips of all kinds, including wilderness experiences, journeys to other cities, visits to museums and opportunities to go to theatrical programs and concerts. They should also include the development of lifetime hobbies and life-time sports.

8. Licensing is only one part of the necessary protection, but at least it sets standards, and enforcement can be placed in the hands of other departments such as health, sanitation, fire education and recreation. A system of licensing should be required in every state, supplemented by the involvement of a cross section of city agencies. Standards should include standards for training of personnel who will be dealing with children. Finally, it is imperative that business, hospitals and universities be encouraged to provide child care services. This can be done with a combination of tax incentives and subsidies.

All of the above presupposes that parents who can afford to pay will also be contributing in the same way that private hospital patients contribute.

Child Care Action Campaign was formed less than a year ago by leaders of women's organizations, editors of women's magazines and experts in the child care field. One of its first goals was to alert the country to what we considered to be a crisis situation. We are grateful to the Select Committee on Children Youth and Families for the attention that you have focused on child care. We do want to close, however, by reminding you that children do not wait. The infant born today cannot wait five or ten years to receive adequate care. Infants placed in the home of someone who is neglectful or who doesn't spend time talking to that child, may develop an educational deficiency that can never be corrected.

If the best defense of our country is the maintenance of our democratic system then it is time for us to replace concern with action; our future depends on this.

ADDITIONAL TESTIMONY SUBSEQUENTLY RECEIVED FROM ELINOR GUGGENHEIMER, PRESIDENT, CHILD CARE ACTION CAMPAIGN

The majority of people in our country accept as fact the overwhelming need for child care services. There are a number of national and local organizations working to develop such services. These include training schools for nannies, research and referral centers, groups that are working to expand proprietary care, and national agencies that focus on family day care and child care for families on the lowest income levels. What has been lacking is an overall plan or framework that insures the provision of options for families on all income levels.

The lack of child care services is not a welfare or poverty problem, nor does it indicate that the family needs casework services. In the past before the majority of mothers had entered the labor force, it may have been reasonable to associate the need for child care with poverty. In the thirties and forties a very small number of women pursued careers and the majority of those were working because of urgent financial need. Today women are working because they are the major or sole support of their families or because a second income is essential in order to maintain a middle-class life style.

The Child Care Action Campaign was formed less than a year ago by a coalition of leaders of women's organizations, editors of magazines and experts in the child care field. During this brief period we have received tens of thousands of letters from parents, from family day care providers, from students on campuses, from nurses in hospitals and even from employees of the Federal Government. We have learned that even in such states as California, which has a network of information and referral services and a great many different kinds of programs, parents have difficulty finding child care. We also learned that licensing alone provides no guarantee of quality care.

Parents do not know where to find adequate, affordable child care even if it is available, and there are many areas in which there are no services. Even more tragic have been the letters of those who have found that the only service that has space to take their child was one of very questionable quality.

We have begun to examine possible answers to the present situation. We believe now that a national plan of framework must be set in place by the Federal Government, and that such a plan or framework should include the use of every type of public and private resource.

It is important for us to have some sort of goal, even if that goal changes over a period of time so that by the year 1990 or the year 2000 we will have a beginning of a rational plan to deal with the needs of working mothers and their children. Let me, therefore, invite you to join me in a small city that I have just established somewhere in the heartland of America.

There are about 500,000 each and 25 neighborhoods of 20,000 people each. Implementation of the child care-plan for Heartland City is under the supervision of a commission which includes the mayor, the commissioners of education and health and human services and recreation. At least three leaders from the business and corporate world and three from civic and fraternal organizations, four experts from the child care field and one parent elected from each of the five city communities. This commission is responsible for insuring that many different kinds of services related to child care and child development are available and that they meet quality standards.

A regional office of the Washington-based Federal Health and Human Services Administration which provides central resource and information services on services for the whole city. It draws its information from the central computerized data bank in Washington and adds complete local information on available services. It also establishes satellite information services in each community. These services exchange information with a central resource office, and provide local information to one office in each neighborhood. Such offices are located in senior centers, pediatrician's offices, schools, community centers and in other public or publicly supported buildings willing to provide space. Neighborhood offices are manned by senior citizen volunteers. A full-time staff person is located in the community office, and a staff of five works in the central office. At least one of the schools in each neighborhood is open 24 hours a day and all year round. Each school is ringed by a network of day care providers. At least one staff person is responsible for recruiting day care providers and for serving as a conduit in the provision of various kinds of material, guildelines, and supervisory personnel.

There is also pre-school group program in the school during the daytime, which may be supplemented by part-time family day care. Dormitory arrangements are available in this one school at night. In any neighborhood where a dormitory arranagement is not being used, the school has one nighttime staff person available, either at the school or at their home, who can keep in touch with the family day care providers in emergency situations.

Boards made up of community leaders act as sponsors for the various programs that serve children of different ages. These boards raise funds, provide equipment, handle public information, visit the programs and access ways to be helpful to staff. Although there is no central licensing, there are universal simple standards dealing with safety, sanitation equipment and staff. These are enforced through inspections by appropriate city departments. Mothers, as well as members of the sponsoring board, are welcome at all times to visit the family day care homes and the group programs by acting as volunteers. Infants and toddlers by and large are cared for in family day care homes. Children start to come to the group programs at the age of two and one-half.

Health providers trained by pediatricians are available to pick up the children in case of ill health and stay with them in their own homes until they are able to return to the child care programs. Health care health services in schools are supervised by a network of available pediatricians. Educational programs are developed by the school system. Recreational, hobby and sports programs are supervised by the Parks and Recreation Department. All employers pay a percentage of the care for which they receive a tax benefit. Families pay in accordance with their ability to pay and government subsidies are available to supplement the minimum fee for those families who cannot afford the cost of care. The cost of subsidies is split between the three levels of government. Additional costs may be financed by fundraising drives, special taxes and, even by such fund-raising efforts as lotteries.

There is a large automotive factory on the outskirts of Heartland City. This particular employer provides a full on-site nursery for infants of nursing mothers. The employer is also responsible for recruiting and supervising a group of family day care providers who live in suburban homes near the factory. Mothers are given time off to be with their children. The costs of the services are paid for by the parents in proportion to their salary levels and by the employer who receives a tax benefit.

There is an office of professional consultants in the plant who visit the network of family day care homes and have recruited additional homes. These consultants are available to work with parents to recommend child care. Some of the parents prefer to place their children in programs near their own homes. The office of professional consultants arranges for vouchers, based again on a percentage payment by parents and the employer, and subsidized, where necessary, by government. Vouchers enable parents to select child care arrangements of their own choice. In addition to all of the above, there are special programs for disabled children in group settings and there are many training schools and placement services to serve those who need child care workers in their own homes. There are also training programs for babysitters and lists are kept in schools and pediatrician's offices as well as in places of work.

I've hardly mentioned the variety of different programs that should be available for school age children. Programs that develop lifetime hobbies, opportunities for homework, trips to museums, all kinds of programs of physical activities, special tutoring with various programs during the summer holidays, ski trips and other winter sports, concerts, trips to museums, both in Heartland City and in the metropolitan areas, internship programs both in government and in industry; these are a few of the things that are offered to school-age children in their after school hours, as well as in holiday and vacation periods.

There is a roster of names, such as those of doctoral students, assistant professors, teachers and others who are involved in various professional activities, but who are willing to stay in a home while parents are away. This is important because at times when both parents may attend a conference or a seminar or when a single mother must go on a business trip. Even those in the upper teenage brackets must not be left unattended.

The automotive plant has a sponsoring board for both the on-site programs and for the network of family day homes. This board is made up of workers and executives similar to the ones connected with the school programs. It assumes responsibility for fund raising, for additional services, for contributions of equipment, and for visiting the programs on a regular basis. Employers are given time to attend to these responsibilities in the same way the union representatives are given time for their duties. Retirees are invited to stay on the board as they carry a good deal of the burden of necessary volunteer work.

Of course, there are still a number of gaps in services, and even in the protection of children in these services in Heartland City. Special programs must be developed for children with special needs. Cooperative groups of mothers who are not working and who have pre-school children have been effective in giving parents some free time, while at the same time providing socialization opportunities for children.

I'm quite aware that all of this is utopian. I am also aware that there is no reason why we should not be working towards utopia for our children. There is no reason either why America should lag so far behind other countries in recognizing that if we are interested in preserving a democratic society we must have a next generation capable, emotionally and intellectually, of sustaining it. Long before we reach utopia, however, there are certain steps that are today absolutely essential. There must be enforcement of standards in every state and community—if not be present licensing process, then at least by a combination of government agencies. Licensing may be only a partial answer, but until a substitute is found it is an important one.

There must also be an enormous effort made to provide incentives for community participation in child-care programs. Responsibility for child care rests with society as a whole. No matter how many marvelous contributions are made by our corporate leaders to the arts, hospitals and other very important and life-sustaining activities of the community, some small portion of their time and effort should be devoted to involvement in the needs of the next generation and the overwhelming needs of millions and millions of women in this country.

One of the greatest needs is for information. It's time for the Federal Government to assume responsibility for this. Information is needed on services, on materials that are available for use by parents as well as professionals, on organizations presently working in the field, and on gaps in services. The National Association for the Education of Young Children (during the next three years) will begin to put together a good deal of information that will be important to the professional field. Parents, too are crying for information. Data should be organized and disseminated by the Federal Government.

Tax incentives for business and corporations are another essential step for the provision of child-care services. Whether on site, or through a voucher system, or even merely through provision of information, concern for working mothers should be made attractive to the business community. The same incentives should be offered hospitals and universities.

I leave Heartland City for the future. Besides there are many, many different ways in which a system could be structured and the one I'm suggesting may not be cost effective or may be far from the best. Our government however must begin to take responsibility for, at least, suggesting community-wide plans that can be implemented at local levels, and for increasing the amount of community involvement. Individual families have to be helped to find adequate, affordable care, and such care can only be provided if communities, as well as society as a whole, assumes responsibility.

Chairman MILLER. Thank you very much.

Perhaps this panel best embodies the questions that must be answered by this committee and Congress. We have moved beyond the question of whether or not child care is necessary, and whether or not it is here to stay.

My generation said that about rock and roll, and so far, it has proven true. I suspect the same generation is now saying that about child care. If that is the fact, as stated by Congressman Coats, that while we would want all variations on how that care is provided, for some families there is no choice but to have care, if they are going to have any semblance of economic well-being.

Now, the question moves to what kind of care are we talking about? It would not be enough simply to expand the support system to increase inadequate slots throughout the country.

This panel is discussing the issue of quality, and one of the debates that you have opened up is whether that quality care, in terms of infants, can be provided by having the mother or the spouse staying at home for 6 months or a year or 4 months, or whether it is provided by infant care that is in very, very short supply.

That is an issue of quality and where it comes from. Again, as this panel draws into central focus, this is not a homogenous system, nor is it the American family.

And it seems to me, as I read your collective testimony, this is a system that must be two things: Optional and available, and that is a very difficult system to provide, because I am not interested in a State-run system, a homogenous system where it looks the same in Indiana as does in Austin, TX.

I am interested in an optional system of quality care that is also available, and the question of quality is the most difficult one for us to address, because we are not very good at national standards dealing with quality.

It is a very subjective and tough issue. It puts rich States against rural States. We can draw a standard and watch the effort destroy a budding system because of the implications.

I would hope that all members of the committee would read the testimony of this panel, very carefully. We cannot wait for that final angel on the head of the pin to decide on the extent of need—it is there. But also, we are charged with really trying to see that that quality is there.

And I would assume that we are trying to recreate what a nurturing family would provide. That is what we are looking for, that growth experience. That means expense. What would the incentive be for somebody to go out and start a child care center?

The more you talk about quality, the more expensive it becomes. The more you talk about infant care, sick day care, and maternal leave, which is child care, too, in family expense is an issue.

You have presented this committee with the challenge that we accepted when we started down this road. We need more one-handed psychologists so you can't say, "On the other hand," and I really appreciate your testimony.

The crux of the debate, whether we are liberal or conservative—is talking about the benefits to the child, and that is the crux, because that is the next generation, and that is the difficult one.

Congressman Coats.

Mr. Coats. Thank you, Mr. Chairman.

I appreciate a lot of what you said there, and this panel has identified some of the critical questions and summarized them very adequately, questions we have to look at as we make our decisions.

Dr. Belsky, could I pursue with you for just a moment your analysis of some of the research that has taken place? Is it correct for me to conclude that because of questions raised in your mind about recent studies, or at least the lack of information, that we ought to be gathering as quickly as possible additional information before we can come to any definite conclusions about the effects of infant child care on emotional development?

If so, are those studies underway, and how soon can we expect some results?

Dr. Belsky. I could not be true to my profession or to myself if I did not answer that yes, we need more research. But I think it is very important for me to emphasize that I do not believe that we are discussing an issue that can be decided by science. Scientific data in this domain serves as fuel for the discussion, but I don't think we are dealing with what we call a totally empirical question.

This is as much a political question as it is a scientific question. We have been doing day care research for 20 years. There is a lot going on and there are some inherent complications to it. So it is doubtful that my science will solve the serious issues that confront us today, for example, we cannot randomly assign families to child care situations, so we don't really have a control group. We cannot absolutely, unconditionally be certain, therefore, that differences that emerge between day care and home-reared children are a function of the care setting the child is raised in; it could be the kind of family the child came from; all of which says to me, I think we have enough data now to tell us where we need to go in the day care debate, and more infant day care research won't tell us we should or shouldn't have infant day care.

What kind of day care ought we to have, if we believe children are the future of society? Group comparisons of home and day care reared children won't answer the question any more than they have at this point nevertheless, additional research will continue to illuminate issues and, of course, we need to be doing more work in this area. It has been a long time since day care research has received high priority. I hope that that day is coming. But please, let's not get our expectations up too high. Future research will not provide all the answers and, at any rate, we confront pressing issues today. I am proud and pleased to be able to say that we know a great deal about how to offer quality care and remain reasonably certain that our children will flourish under such conditions.

Mr. COATS. In listening to your testimony, the studies that you cited here seem pretty incomplete to draw that conclusion. The only thing you referenced as to measurement of the child's emotional attachment to the mother and the effect of that on day care for the infants was the child's greeting to the mother after separation.

Common sense seems to indicate that the act of separation, dropping the child off, would be more traumatic than coming back. Everytime we took our kids to a babysitter, they cried, and every time we picked them up, there were happy.

I was surprised that there were not more detailed evaluations about emotional attachment, other than just greeting.

Dr. BELSKY. Let me say that in the manuscript I provided, there is more detailed evaluation. But at the same time, I think one thing Congressmen, as well as psychologists learn is that the piece of information they think serves as a window on a problem, an indicator of functioning of the economy, for example, or of a child's development turns out to be not necessarily as good as they once thought it was. In point of fact, when the initial day care studies were done 10 years ago on infants, what people looked at was exactly what you are talking about—how distressed did infants become upon separation. What became very clear, as not only the field of infant day care developed, but the field of infancy more severally, was that separation distress was really not a good window. What we found was that the way the child organizes his behavior around the parent upon reentry and the reestablishment of communications served as a much better indicator of the child's psychological functioning; evidence of the validity of this claim comes from the fact it is a much better predictor of the child's future functioning.

Recognize of course, that most studies show very little difference between home care and day care. Where they do show differences they show it around this critical parameter of reunion behavior which seems to be a good diagnostic indicator of the nature of the infant-parent relationship.

Chairman MILLER. On that point, what do we know about the family that the child is leaving for a period of time in terms of abuse and neglect in the family or its economics status?

Dr. BELSKY. This is where some of the evidence of validity comes from. This strange situation paradigm which we have in our science is being questioned by some because it is becoming a new IQ test of emotional development in infancy because it is so promising; it is working better than people have seen anything in early infancy work, but people don't want to get overwhelmed. Some evidence of the validity of the procedure comes from studies of abused children which show a much higher incidence of avoidance as opposed to a pattern of greeting and embracing the parent following separation. So it is exactly this kind of diagnostic indicator, if you would, that distinguishes maltreated and nonmaltreated infants far better than whether the child gets distressed or not following separation.

Ms. WEISSBOURD. I will take it out of the political and scientific arena to the human arena. I think we really do know what infants need in their first years and when Mr. Miller mentioned families, I think we need to start looking at the wide variety of families and what they can offer. We have a population, as I mentioned, of teenage parents. Those parents and children obviously benefit from a day care setting both for their own futures as well as their children's futures. Likewise, working parents require day care settings.

Other parents who would like to be home with their children should have the option to be at home. So I think when we talk about the value of day care we can't talk about it abstractly. We must be able to meet the needs of the wide variety of families in this country. It is a supply and demand issue. We must have adequate day care where it is necesary, and options where appropriate.

I would like to make one other comment. I was very glad that Representative Miller talked about the expense of day care, particularly infant care. I think that we need to work on the assumption that it is expensive, and we need to educate the public to how cost effective that expense is. There is no substitute for a good start. Also, we must recognize that until now day care has been subsidized by the people working in the programs. The salaries of the day care workers have really been the subsidy for day care in this country.

Mr. COATS. Maybe this is the wrong panel, but if we were looking at infant day care, and the suggestion was the ratio should not be greater than 4 to 1——

Ms. WEISSBOURD. Which I think is high.

Mr. COATS. So as a maximum, 4 to 1—maybe 3 to 1, obviously the lower the better—if we are looking at a ratio of 3 or 4 to 1, and the kind of day care facility which meets the safety and health standards that we would prefer for our children, and we are looking at providers who have the kind of education and some of the experience and training that we have discussed, do any of you have an idea what kind of weekly cost we are considering? On the average, what are we thinking of here?

Ms. GUGGENHEIMER. Are you talking about a center or family care situation?

Dr. COATS. Maybe both. Let's try to set up the preferred situation, and I know it varies, but it is for young infants, something that you would want to take your infant to. That is what we are looking at roughly.

Ms. WEISSBOURD. I think it would cost approximatly $5,000 a year to give really high quality care, the kind of care we are talking about.

Mr. COATS. Are the rest of you pretty much in accord?

Chairman MILLER. For infant care?

Ms. WEISSBOURD. Yes, sir. If we are talking about 1 to 3 ratio.

Ms. GUGGENHEIMER. Unfortunately, we are also going to have to generalize because the cost in New York City will be quite different than the cost in Arkansas.

Mr. **Coats**. I would endorse that. It is about $100 a week. Can $100 a week buy the kind of quality infant day care that you all all are talking about?

Ms. **Guggenheimer**. Yes, sir.

Dr. **Belsky**. I think so, too. If one could pay a family day care provider $100 a week to take care of your child, all that woman would have to do, presuming it is a woman, is take care of two children and make a reasonably good secondary income for a family. If you could really pay somebody $100 a week I think you could end up with a very viable market out there where the consumer would be able to regulate the quality and, like any other commodity, supply and demand would determine, you know, who, what and where they bought child care.

But I think $100 is more money at this point than we are ready to spend. The irony here is we have done the analysis, we have gone through so many of these issues with the Head Start Program. Ten or fifteen years ago it took a consortium at Cornell to do the cost/benefit analysis of what at that time were perceived to be excessive expenditures; if the returns on investment were real and worthwhile—in terms of less behavior problems in school, less grade retention. We are a capitalist society, we believe in the bottom line, we believe in capital expenditures and depreciation of costs. Why don't we apply that to developmental problems and developmental issues?

One hundred dollars, if you could spend $5,000 a year on a kid for 3 or 4 years you could likely cut down the rate of all sorts of developmental disabilities throughout a lifetime, to say nothing of considering the tax benefits. I would invest in a company like that, I would buy stock in it. I think anybody who sort of possessed a capitalistic mentality would, too.

But when it comes to infants or your children, as it did with our head start pre-schoolers, we first think of the bottom line this year, we think of running a deficit this year. I am not so naive as to think that this return-on-investment argument is going to persuade anybody, obviously it hasn't. There is a terrible irony here. For a capitalist society, we are not willing to make capitalistic investments.

Mr. **Coats**. That result is based on the assumption that these results can be achieved for $100 a week or can be achieved at all. You yourself, Doctor, raise questions on what the emotional effect is of infant care.

Dr. **Belsky**. Then I have been a little bit misunderstood. I would like to say as convincingly as I know how, that you give me quality care for infants and I will give you no problems or many fewer problems than you will get in average family care. When I was giving my formal testimony, I was reporting results of studies that have looked at all kinds of care. If we single out the truly exceptionally high quality university based care that is most expensive, we don't see difficulties, it is only when we look at the new, increasing studies, which causes run of the mill, everyday day care, that potential problems in children arise.

Chairman **Miller**. We are often asked to expand family day care. How do we achieve some assurance that there will be quality is that we are not going to just proliferate the system and have a lot of marginal operators in and out of the system. I can see an argument for Federal licensing for basically the largest and best financed day care centers in the country, to keep everybody else out of the field. Licensing is the oldest way to chop down your competition.

How do we arrive at those assurances? I think that is why this panel is so important. If we participate in expansion, we should also participate in the upgrading of the quality and the expansion of day care, because that is the central theme of this testimony. If we can achieve quality, the down side seems to be minimal or nonexistent.

Mr. **Burke**. It would seem to me, Congressman, that a serious national dialog would be able to produce this. We produce anything we put a value on in this country. If we put a priority value on our children, we can put a priority value on quality care for our child care services. We can also establish a standard criteria for that purpose. We are intelligent enough to be able to preclude or prevent the monopolization factor from adversely affecting licensing.

There are abuses. However our experiences in other Human Services Programs demonstrate that we know how to handle abuses equitably and effectively if we want to. We should factor into establishing a quality care scale that all of us would be able to agree on and that would be applied equally to all people. I think that is important.

Ms. **Weissbourd**. I think we have systems of monitoring which we know can work and have not been funded, so they are not available to work. I also think that we have a model in Head Start where we have proven that good care will make a difference, and we need to think about extending that downward.

Dr. **Belsky**. I think one of the issues here is letting our citizens take advantage of their liberties, and the way that we can do that, which I think we feel comfortable with, is by adopting a much more consumeristic approach. We think of Government regulation. I think there needs to be some of that, but the consumer, if he is informed and he is educated—or she—is in an immensely better position to make that choice, if there is a choice to be made.

I think the two most pressing issues of quality care other than regulation are, first, is there a choice out there for the consumer to make, and all too often there isn't; and

Second, does the consumer know what to look for? I have been surprisingly dismayed that even the well functioning middle class households I deal with in my research on families are often persuaded by what is hung on the walls of day care environments as opposed to what goes on between children and between children and caregivers,

Chairman **Miller**. Like in the Congressman's office?

Dr. **Belsky**. Very much so. So the issue becomes one of how do you educate your consumer, and also how do you make a market out there where a consumer can shop around. I think that is where we have possibilities well beyond even regulation.

Mr. **Coats**. My time is up. Let me conclude, if I could, by saying that in educating that consumer, Dr. Belsky and others, I would hope that we would not just assume that all the research is in and that we would continue to search for and provide answers to what I think are some very, very basic questions as to effects of child care and effects of parental separation. What does quality mean versus nonquality? These and lots of other questions need to be answered so the consumer does have the full range of information on which to make a choice.

Ms. **Weissbourd**. Part of what needs to be in the picture is the option of a child staying at home with the parent. So we are not only talking about outside of home day care.

Dr. **Belsky**. I would enter into the research base the notion of how do you disseminate knowledge to consumers? How do you check the knowledge that you are producing is being assimilated because it is one thing to generate the knowledge, we academicians do it all the time. It is quite something else for it to be digested. Let me agree with Congressman Coats once more. Yes, more research on the effects if day care is needed. But please, do not wait to act until all the data are in—whenever that will be. I doubt that we will ever be able to reach a simple conclusion about the effects of day care, pure and simple; but it is clear that we know how to achieve quality. The major issues which confront us know, they, involve our willingness to pay for it and promote it.

Ms. **Guggenheimer**. One thing we have found is that parents are extremely eager for information. We have gotten tens of thousands, of letters the last month because of a lot of newspaper publicity and magazine publicity, asking for all kinds of information. The way in which information is being presented in books and other material is on the education level of the readershp.

Many, many of the letters we are getting are from virtually illiterate people who have trouble reading and great trouble reading the kind of material that comes out from Government or private agencies today. One of the things that has to be provided now is extremely simple examples of questions parents should ask and observations they should make; what parents should look for; what questions they should ask before placing their children in care.

We are getting a lot of questions about what a parent should ask his or her child to find out whether he or she has been sexually abused. Very little material is available as yet that says to parents, here is what you need to look for to avoid the risks of sexual abuse, and an informed consumer is an extremely important part of quality care.

Ms. **Weissbourd**. I think there is some material on that. I would be very glad to give it to members of this committee as models.

Chairman **Miller**. We would appreciate that.

Congressman Anthony.

Mr. **Anthony**. Thank you, Mr. Chairman.

At the very beginning I posed kind of a devil's advocate type comment about whether or not there was a need for day care facilities. If other witnesses had not dispelled it, I think the five of you have very adequately, through your testimony, proven that there is not only a need for it but that need is going to grow as the population changes. So I think it is important now for the Members of Congress to dessiminate what you have told us out to our constituents so that there will be that grassroots support for the programs that we know we are going to have to put in place.

I would like to close by thanking you for well constructed, straight to the point testimony.

Chairman **Miller**. Mrs. Johnson.

Mrs. **Johnson**. I have sort of a frustration with what we are doing here today because with me, the issue is not whether there is a need, and it really isn't whether or not we know how to provide quality care. I believe there is a need and the fact is demand is growing, and in many ways I think we are failing to address some of the ironies of why we are not meeting it.

I know in my own community, a decaying urban area of 70,000 people, we tried to set up an infant day care center. The State regulations are so demanding there is no way to do it at a price that anybody who needs it could possibly afford it. So that brings up the issue of Government subsidy, but the job is so big out there that I think we have to begin looking more creatively at what we are doing.

If you look at the testimony that has been given today about what constitutes quality care, hardly any quality issues are addressed in our licensing system nationwide. The ratio requirement addresses it to some extent, but on the whole, the licensing system has very little to do with quality either on the day of inspection, and hardly any regard at all in a long-term forward-thinking manner.

So I look at what we are talking about and at the dimensions of the problem and I need help. I would like to hear whether—for instance Dr. Guggenheimer, I liked your comment about oversight committees, about boards of directors—we should begin looking at a different requirement of community involvement, a much more aggressive involvement at the community level? Should we be running pilot projects throughout the Nation where we eliminate licensure requirements but we require community involvement and objective setting, or something like that?

In the hearings that we have held over the past 6 months, there were two reasons given why people didn't want to be licensed. One, they didn't want to report the income. That, frankly, is a hell of a powerful motivator.

Two, they didn't want government in their homes. They simply don't trust government. They don't want a 23-year-old social worker in their homes. There is no guarantee that that kind of system can differentiate between the woman with no education but an absolutely marvelous person in your terms of responsive caring, communicating, all those things in our licensing system.

So it seems to me one of the fundamental things we have to do is acknowledge that in our system, there is very little relationship to either creating the services we need or the quality of services we need, and maybe what we ought to be thinking about together are models that we could try to pilot. Maybe we could set up standards, goals, objectives, for community based committees and talk about what kind of people ought to be on those committees. I served on those boards of directors, I know there are aggressive boards of directors and there are nonaggressive boards.

Is there any way that government can identify what kind of behavior would be an acceptable substitute for a licensing model? Is there any way that we could use this to pull in those people who don't want to be licensed but who would participate, and who would do so because they would get technical help, they would be eligible for nutrition programs, get help with discipline issues, nurturing issues, some of our best people to help them be better people. We do learn from them.

I like your idea about these governance committees. Can we use that more creatively to find out if we could generate within communities a more flexible response to need?

The voucher program, certainly what I see in my community is a two-tiered system. There are the public kids; there are the low income kids; the subsidized kids; and they are being segregated now, not rationally but economically. Is that the kind of America we want? If that is not the kind of America we want, then we have to think seriously about what is going to be the relationship between Federal program dollars and communities. I don't know if anywhere in the United States the voucher program has been tried really flat out.

Ms. **Guggenheimer**. Could I say something about licensing? I would not imply that licensing is useless. Certainly it is the underpinning, or the floor, if you will. It means that somebody had looked at the premises to see if they are safe. It means, in centers, there may have been at least a review to see if teachers are accredited, if they have had any training.

The problem is is that license staff may go in every 1, or in some instances every 3, years. Often it is an announced visit, licensers are trained to look for a lot of physical defects. There are many city and State agencies, boards of education, recreation departments, that have additional help they could give to programs.

As far as community boards are concerned, I think the greatest danger in the world is a program operating in isolation where people don't come in and out, where a parent is told it is distracting for a child if you come and visit it. That kind of advice parents should know is a real danger signal, it is dangerous if nobody comes in and out of a program on a fairly regular basis—volunteers or parents. In the senior services, for instance, we have enormous numbers of volunteers in the nutrition program. We wouldn't be able to run the lunch programs if it weren't for the fact that they are in any one of the senior services—40, 50, 60 volunteers working in the program. We don't have that in child care programs. I think it would be wonderful if we tried to build some of that in.

Dr. **Belsky**. I wonder if one of the ways to achieve such goals beyond more licensing is to build in more incentives to being a care giver from an economic standpoint. For example, enable people to take advantage of existing tax opportunities for using your house as a day care home. My wife's experience as a day care supervisor in our community was that providers often had real difficulties doing this. Could more be done and could this benefit be defended—say for example for letting renters write off some of their rent if they are providing family day care.

Mrs. **Johnson**. That is a very good point. I think it points out that we need to differentiate between the private home setting and the center setting, even if the center is small. Licensing, much better oversight, boards of directors and things like that might be relevant to the larger sector. We have to look at a way to stimulate that, but also alternatives to oversee the individual home sector.

Dr. **Belsky**. Let's remember most care in this country, particularly infant care, but all day care, does not take place in the center. If a licensor came in and certified your home as adequate to use as a tax writeoff, all of a sudden I think you might have people clamoring to be licensed.

Mrs. **Johnson**. I think that is a very good point and a very good suggestion. It clarifies through your saying most infant care is not publicly based. That is true. I don't mean publicly supported, there aren't centers that take little children, although there are mothers of little children working. That is what I call the unregulated industry that is out there, but we actually know nothing about because we don't have the means to do it. Few home care establishments can afford to deal with the Government.

Dr. **Belsky**. If you think of the marginal difference between being able to take care in your home of one or two other children, plus write off part of your mortgage or rent, and balance that off against the salary which you would get going out and working, but then having to pay for child care, then all of a sudden you may have a supply of people opting to provide care you didn't have before. We come back to the supply and demand.

Mrs. **Johnson**. Can we allow somebody to have a rent deduction or mortgage deduction without licensure?

Ms. **Weissbourd**. There is a way. There are networks of family day care programs in some communities where there is supervision, where there is training, where there is status to the family day care home provider. One of the issues is there is no status for the family day care home provider. It is not looked at as a profession.

One thing that would assist in changing that, would be to allow family day care home providers to be part of an educational and implementation network. It would make a difference in the way that those homes were coming out, because you are right, there is an underground system all around the country.

Ms. **Weissbourd**. You have to look at what is happening all across the country. I do want to get this one thing in because I think I said it. We are finding that they are being zoned out of family day care in community after community across the country. We have been receiving requests for help. I know the Children's Foundation hassles. Because all of a sudden communities don't like them having children. They say this is a business, and they are being zoned out in one way or another, and that I think is something you could address almost immediately.

Dr. **Belsky**. The point made about the family day care networks I know was in Dr. Etaugh's written testimony, but didn't come out in my lengthier written testimony. These supervised family day care homes are the ones that have been documented to provide much higher quality care and to have much better outcomes for children.

All of a sudden if you get to write off part of your mortgage or rent for participating in the supervisory network, there is a social exchange there. Not anybody can say "I am supervising kids, I am having day care and I will write it off," you get some regulatory control, which is clearly a social exchange, not big brother coming and saying you have to do this rather, saying that if you want the benefit, you need to make the exchange by letting us help you get some educational process going on, could work. And as was mentioned, family day care mothers like that. They like being part of a system.

Mrs. Johnson. I agree that can benefit. Would you be willing to give them a tax writeoff? Not require them to license if they had a formal alliance with a licensed center, would that be a fair exchange?

Ms. Weissbourd. Where there was training going on?

Mrs. Johnson. Someone whose responsibility to that——

Chairman Miller. Satellite?

Mrs. Johnson. That we could allow States to develop outside of their own licensure law and——

Dr. Belsky. In fact, licensure is a rubber stamp. We are really interested in the process that licensure stands for. By participating in the networks you are better able to assure the process than simply by licensure. I think if you had networks where people could get something for participating in them, like a mortgage writeoff or rent writeoff, then licensing would become moot because the community would regulate the networks and you might even save money.

Mrs. Johnson. Thank you.

Ms. Guggenheimer. There have been industries that have personnel departments establish networks of family day care operators around the industries. Steelcase is an example. They actually help establish the family day care programs. They supervise them. This could be also done by public school systems that could establish networks of family day care providers around the school.

Chairman Miller. Mr. Anthony.

Mr. Anthony. I wanted 30 seconds. I want to try to summarize what I have heard in the last discussion. From hearing all of the witnesses testify they have said we need certain things and I have gone back through some of the testimony.

We say that we need a Federal agency, we need some Federal involvement here, but in 1981 we repealed the Federal intergency day care standards, so we dumped that off onto somebody else. In response to a lot of people saying there was too much money being spent, we cut down the AFDC incomes, we cut 20 percent in our funding under title XX, we chopped down on our child care food program, and that is not to even talk about the difference that we have in our dependent care tax credit versus salary and fringe benefits, salaried reduction plan. So if I understand you, what you are saying is please go in there and make sense out of some programs we have passed and amended since 1981—a big challenge.

Chairman Miller. Thank you very much again for your time and for all of your testimony.

We will proceed with the next panel made up of Julia Holmes, secretary and vice president, League of Women Voters; Sarah Harder, assistant to the vice chancellor, University of Wisconsin Eau Clair; Carla Curtis, policy analyst, National Black Child Development Institute; and Joyce Black, public policy chair, Child Welfare League of America; president, Day Care Council of New York.

As with the previous witnesses, your prepared statements will be placed in the record in their entirety and the extent to which you can summarize or respond to what you have heard earlier today, it would be appreciated by the committee.

We will start with Julia Holmes.

Perhaps we should take Governor Kean at this time. Welcome to the committee and we look forward to your testimony and appreciate you taking time from your busy schedule to come and share your insights and your concerns on the providing of quality day care, and we also recognize that you come here as the chairman of the Human Resources Committee of the National Governors' Association.

Your prepared statement will be placed in the record in its entirety and proceed in any manner which is most comfortable.

STATEMENT OF HON. THOMAS H. KEAN, GOVERNOR OF NEW JERSEY; CHAIR, HUMAN RESOURCES COMMITTEE, NATIONAL GOVERNORS' ASSOCIATION

Governor KEAN. Thank you, Congressman. I will excerpt from my prepared testimony. First of all, I would like to thank you for your invitation. I know that you are not a newcomer to this issue. I know of your deep concern and I know that this committee in all probability would not exist if it had not been for your foresight and your efforts. So on behalf of many people, I want to say thank you for that.

I believe that increasing the availability of good child care is one of the most pressing human resources issues facing us today. The strength of the modern family depends on child care. The health and welfare of children depends on child care. And, increasingly, the success of American business depends on child care.

The most striking message of the series on day care in the New York Times this week was the astonishing degree to which day care has become a part of American life. When 52 percent of our children under 6 have working mothers, then we are dealing with a need and a service that is pervasive and critical to every segment of the population.

The institution of day care has changed dramatically from a rather unnoticed service purchased by a minority of families, to a service that most Americans raising families will avail themselves of. Whereas day care was formerly a special and limited need, now it is a social and economic necessity.

The necessity is great and getting greater. The U.S. Census Bureau estimates that there are currently 44.5 million children age 13 and under with mothers in the work force. Of these children, 19.4 million are age 5 and under and 25.1 million are age 6 to 13 years old. Just as striking, the percentage of women in the workforce has increased from 37.7 percent in 1970 to 53.2 percent today.

These and other statistics illustrate the revolutionary change that has taken place in the American family. The two-parent family where both parents work is rapidly becoming the norm for our society. Furthermore, the number of single parent families headed by women is rising dramatically and demands our immediate attention.

It is important to note that the increased labor force participation is not solely voluntary. Increasingly, the woman is the primary wage earner in a single parent family. In many households her income is needed to lift the two-earner family out of poverty or to maintain a home or to provide educational opportunities for her children. The ability of these women to enter the labor force is essential to the family's economic security. Child care is often an absolute prerequisite for their participation.

I want to point out that there are other, noneconomic factors which increase the demand for child care services. Child care can be a vital element of a service plan for a disadvantaged or handicapped child. In other instances, child care may be needed as part of a protective service plan that enables a child to remain in his own home or in a foster home. There is also a need for intermittent child care as part of a treatment plan for adults in a troubled family. The child care system must be flexible enough to meet all of these needs.

In short, the demand for day care is becoming comparable, I believe, to the demand for education and for medical care. Our response to date, I am afraid, has not caught up with the growth and the pervasiveness of the demand. Day care is fast becoming a mature institution in the fabric of American society, but our public and private organizations remain largely immature in their thinking about how the service should be provided. Mr. Chairman, I believe we must change the way we think about day care.

We—and I mean the public sector and the private sector—must devise the means to make more day care available, and at a cost that is affordable to business, nonprofit organizations, and Government, as well as to the purchaser of care.

We must determine how to properly license and regulate the various kinds of day care.

We must recognize the importance of day care as a pre-educational or concurrent educational experience, and determine how it can and should be related to our educational system.

We must recognize that any opportunity to break the welfare cycle depends upon day care. We cannot expect low-income parents to seek work and retain their jobs if their children are not properly cared for.

The Governors are ready and willing to work with Federal leaders and the private sector to craft an approach to day care that is consistent with the realities of social and economic life. For this reason we recently adopted a separate policy on children to guide our activities.

As we attempt to develop a more comprehensive national approach to child care services, we must recognize both the scope of the problem and the need for full involvement by the private sector as well as Federal, State, and local government. It is particularly important that we maintain a reasonable balance between privately funded and publicly funded day care, so that we avoid a large drain on public resources and an escalation of costs that could result from interfering with the direct relationship between the purchaser and the provider.

The Federal Government, the States and private employers should adopt flexible work scheduling and leave policies. There is also a need for improved maternity leave, health and employee assistance benefits and a reduction in the punitive effects and discriminatory nature of break-in-service personnel policies.

Second, the availability of affordable child care must be made an integral component of national income security and employment programs. Child care should be carefully coordinated with work requirements and training opportunities. The Governors would argue that the success of these costly programs depends in large part on the child care component.

Third, we must learn to become more innovative in the way we provide child care services.

Too often we treat clients as passive recipients of services rather than active consumers who can also choose and monitor the quality of care that their children receive. In New Jersey, for example, we have established a voucher program that has reduced child care costs and increased client involvement in selecting child care. This program has also enabled clients to place their children in programs nearer their homes, since publicly funded day care centers are not always in their neighborhoods. We also train these clients to identify quality programs for their children so that they can make informed choices. This program, originally funded with Federal dollars as a demonstration project, has been so successful that we have continued the project with State funds.

Fourth, we must also carefully plan publicly funded child care services and target them toward persons with the greatest needs. Child care is often essential for persons on public assistance who want to work. In New Jersey, we have found that extending day care support for persons for several months after they begin employment is often essential during this transition to full independence and self-sufficiency.

Fifth, it is critical that we encourage the corporate sector to play a key role. Child care makes good business sense. There are now about 1,000 companies nationwide providing some sort of child day care assistance to their employees. One textile firm studied by the child development and family living department at Texas Woman's University provides a good example of the benefits available to business. This firm set up a child care center which is used by 26 percent of its 87 employees. The company estimates that it gains $6 for every $1 spent on child care, by reducing turnover from 40 to 7 percent and absenteeism from 10 to 1 percent. It also reduced its payroll by 10 production and 5 office workers, saving salary and training costs of 15 employees and reducing work space.

In New Jersey, I initiated in 1982 a project to provide technical assistance to employers in establishing or arranging child care services for their employees. We have learned that many employers do not provide this service because they do not know of the alternatives available to them, or because they are unaware of the many benefits that can accrue to the company through such a program. Since the project was initiated, the number of such programs in our State has increased fourfold.

We ask that the Congress recognize the important role that can be played by employers and other segments of the private sector. We would urge you to examine how the tax structure can be changed to encourage such corporate involvement.

Sixth, we should make better use of existing facilities and programs. For example, local school districts are responding to the need for caring for children for greater lengths of time by offering all day kindergarten. Many of the schools in New Jersey have recently adopted this option.

Many of our elementary schools end their day early in the afternoon without any provision for after school care, even though these buildings remain vacant for the rest of the day. Yet we know that some of these children must return to empty homes, uncared for until their parents arrive from work.

Finally, the Governors want to emphasize that when parents place their children in child care, they should feel assured that those children will be safe. Recent news stories about child abuse in child care settings is causing serious concern for all of us and States must be prepared to act quickly to take corrective action. However, we do not feel these stories should trigger additional Federal regulation.

The association believes that the Federal Government should recognize the States' primary responsibility to establish and enforce standards for the child care provider. Federal assistance in the development of State standards, and Federal assistance in the sharing of information across State lines, can be of help, as can a continued oversight role.

In New Jersey, we are working on legislation to require employees of child care centers to undergo criminal background checks and fingerprinting. We also plan to involve parents more in child care centers, which should prove helpful in monitoring these facilities.

Meeting the needs of children must be one of our highest national priorities. No single sector of society can provide adequate resources for child care, but through a comprehensive national policy and the coordinated efforts of government, voluntary organizations, and the business community, we can begin to expand these services.

As Members of Congress, you have particular responsibility for the low-income population, and the success of many of the most expensive Federal programs, such as income assistance and employment and training, depends in part on child care. The Governors believe that carefully targeted expansions in child care should be a priority for the use of limited Federal dollars for domestic programs.

Thank you very much for the opportunity to appear before you.

[Prepared statement of Thomas H. Kean follows:]

PREPARED STATEMENT OF HON. THOMAS H. KEAN, GOVERNOR OF NEW JERSEY; CHAIR, HUMAN RESOURCES COMMITTEE, NATIONAL GOVERNORS' ASSOCIATION

I AM PLEASED TO TESTIFY ON CHILD CARE BEFORE THE SELECT COMMITTEE ON CHILDREN, YOUTH AND FAMILIES ON BEHALF OF THE NATIONAL GOVERNORS' ASSOCIATION.

I BELIEVE THAT INCREASING THE AVAILABILITY OF GOOD CHILD CARE IS ONE OF THE MOST PRESSING HUMAN RESOURCES ISSUES FACING US TODAY. THE STRENGTH OF THE MODERN FAMILY DEPENDS ON CHILD CARE. THE HEALTH AND WELFARE OF CHILDREN DEPENDS ON CHILD CARE. AND, INCREASINGLY, THE SUCCESS OF AMERICAN BUSINESS DEPENDS ON CHILD CARE.

THE MOST STRIKING MESSAGE OF THE SERIES ON DAY CARE IN THE NEW YORK TIMES THIS WEEK WAS THE ASTONISHING DEGREE TO WHICH DAY CARE HAS BECOME A PART OF AMERICAN LIFE. WHEN 52 PERCENT OF OUR CHILDREN UNDER SIX HAVE WORKING MOTHERS, THEN WE ARE DEALING WITH A NEED AND A SERVICE THAT IS PERVASIVE AND CRITICAL TO EVERY SEGMENT OF THE POPULATION.

THE INSTITUTION OF DAY CARE HAS CHANGED DRAMATICALLY FROM A RATHER UNNOTICED SERVICE PURCHASED BY A MINORITY OF FAMILIES, TO A SERVICE THAT MOST AMERICANS RAISING FAMILIES WILL AVAIL THEMSELVES OF. WHEREAS DAY CARE WAS FORMERLY A SPECIAL AND LIMITED NEED, NOW IT IS A SOCIAL AND ECONOMIC NECESSITY.

THE NECESSITY IS GREAT AND GETTING GREATER. THE UNITED STATES CENSUS BUREAU ESTIMATES THAT THERE ARE CURRENTLY 44.5 MILLION CHILDREN AGE 13 AND UNDER WITH MOTHERS IN THE WORKFORCE. OF

THESE CHILDREN, 19.4 MILLION ARE AGE 5 AND UNDER AND 25.1 MILLION ARE AGE 6 TO 13 YEARS OLD. JUST AS STRIKING, THE PERCENTAGE OF WOMEN IN THE WORKFORCE HAS INCREASED FROM 37.7 PERCENT IN 1960 TO 53.2 PERCENT TODAY.

THESE AND OTHER STATISTICS ILLUSTRATE THE REVOLUTIONARY CHANGE THAT HAS TAKEN PLACE IN THE AMERICAN FAMILY. THE TWO PARENT FAMILY WHERE BOTH PARENTS WORK IS RAPIDLY BECOMING THE NORM FOR OUR SOCIETY. FURTHERMORE, THE RISE IN SINGLE PARENT FAMILIES HEADED BY WOMEN PRESENTS SPECIAL NEEDS WHICH DEMAND OUR IMMEDIATE ATTENTION.

IT IS IMPORTANT TO NOTE THAT THE INCREASED LABOR FORCE PARTICIPATION IS NOT SOLELY VOLUNTARY. INCREASINGLY, THE WOMAN IS THE PRIMARY WAGE EARNER IN A SINGLE PARENT FAMILY. IN MANY HOUSEHOLDS HER INCOME IS NEEDED TO LIFT THE TWO-EARNER FAMILY OUT OF POVERTY, OR TO MAINTAIN A HOME, OR TO PROVIDE EDUCATIONAL OPPORTUNITIES FOR HER CHILDREN. THE ABILITY OF THESE WOMEN TO ENTER THE LABOR FORCE IS ESSENTIAL TO THE FAMILY'S ECONOMIC SECURITY. CHILD CARE IS OFTEN AN ABSOLUTE PREREQUISITE FOR THEIR PARTICIPATION.

I WANT TO POINT OUT THAT THERE ARE OTHER, NON-ECONOMIC FACTORS WHICH INCREASE THE DEMAND FOR CHILD CARE SERVICES. CHILD CARE CAN BE A VITAL ELEMENT OF A SERVICE PLAN FOR A DISADVANTAGED OR HANDICAPPED CHILD. IN OTHER INSTANCES, CHILD CARE MAY BE NEEDED AS PART OF A PROTECTIVE SERVICE PLAN THAT ENABLES A CHILD TO

REMAIN IN HIS OWN HOME OR IN A FOSTER HOME. THERE IS ALSO A NEED FOR INTERMITTENT CHILD CARE AS PART OF A TREATMENT PLAN FOR ADULTS IN A TROUBLED FAMILY. THE CHILD CARE SYSTEM MUST BE FLEXIBLE ENOUGH TO MEET ALL OF THESE NEEDS.

IN SHORT, THE DEMAND FOR DAY CARE IS BECOMING COMPARABLE, I BELIEVE, TO THE DEMAND FOR EDUCATION AND FOR MEDICAL CARE. OUR RESPONSE TO DATE, I AM AFRAID, HAS NOT CAUGHT UP WITH THE GROWTH AND THE PERVASIVENESS OF THE DEMAND. DAY CARE IS FAST BECOMING A MATURE INSTITUTION IN THE FABRIC OF AMERICAN SOCIETY, BUT OUR PUBLIC AND PRIVATE ORGANIZATIONS REMAIN LARGELY IMMATURE IN THEIR THINKING ABOUT HOW THE SERVICE SHOULD BE PROVIDED. MR. CHAIRMAN, I BELIEVE WE MUST CHANGE THE WAY WE THINK ABOUT DAY CARE.

- WE -- AND I MEAN THE PUBLIC SECTOR AND THE PRIVATE SECTOR -- MUST DEVISE THE MEANS TO MAKE MORE DAY CARE AVAILABLE, AND AT A COST THAT IS AFFORDABLE TO BUSINESS, NON-PROFIT ORGANIZATIONS, AND GOVERNMENT, AS WELL AS TO THE PURCHASER OF CARE. WHEN YOU SPECULATE ABOUT THE HUGE NEED I MENTIONED, YOU HAVE TO WONDER IF MILLIONS OF MORE FAMILIES WOULD NOT USE DAY CARE IF THE SLOTS WERE AVAILABLE.

- WE MUST DETERMINE HOW TO PROPERLY LICENSE AND REGULATE THE VARIOUS KINDS OF DAY CARE.

- WE MUST RECOGNIZE THE IMPORTANCE OF DAY CARE AS A PRE-EDUCATIONAL OR CONCURRENT EDUCATIONAL EXPERIENCE, AND DETERMINE HOW IT CAN AND SHOULD BE RELATED TO OUR EDUCATIONAL SYSTEM.

- WE MUST RECOGNIZE THAT ANY OPPORTUNITY TO BREAK THE WELFARE CYCLE DEPENDS UPON DAY CARE. WE CANNOT EXPECT LOW-INCOME PARENTS TO SEEK WORK AND RETAIN THEIR JOBS IF THEIR CHILDREN ARE NOT PROPERLY CARED FOR.

THE GOVERNORS ARE READY AND WILLING TO WORK WITH FEDERAL LEADERS AND THE PRIVATE SECTOR TO CRAFT AN APPROACH TO DAY CARE THAT IS CONSISTENT WITH THE REALITIES OF SOCIAL AND ECONOMIC LIFE. FOR THIS REASON, WE RECENTLY ADOPTED A SEPARATE POLICY ON CHILDREN TO GUIDE OUR ACTIVITIES.

OUR POLICY SUPPORTS A COMPREHENSIVE APPROACH TOWARDS CHILDREN AND FAMILIES. ONE COMPONENT IS OUR BELIEF THAT:

> "A MINIMUM INCOME LEVEL SUFFICIENT TO PROVIDE SOME BASIC LEVEL OF FOOD, SHELTER, TRANSPORTATION, CLOTHING AND HEALTH CARE THROUGH EMPLOYMENT OR INCOME SECURITY OR CHILD SUPPORT PROGRAMS, IS AN ESSENTIAL STEP TO ENSURING FAMILY STABILITY AND HEALTHY CHILD DEVELOPMENT."

A SECOND COMPONENT OF OUR POLICY SPECIFICALLY ADDRESSES CHILD CARE:

> "STATES SHOULD SEEK A BALANCE OF PUBLIC AND PRIVATE SUPPORT FOR FAMILIES WHO REQUIRE CHILD CARE FOR DEVELOPMENTAL, PROTECTIVE, SPECIAL NEEDS, OR WORK-RELATED REASONS. WHILE STATES HAVE THE RESPONSIBILITY TO SET STANDARDS AND MONITOR PROGRAM QUALITY, THE FEDERAL GOVERNMENT SHOULD EXPAND TAX CREDITS AND PROVIDE INCREASED MONETARY SUPPORT FOR CHILD CARE FOR LOW INCOME FAMILIES. STATES SHOULD EXPLORE INNOVATIVE MECHANISMS FOR PRIVATE SECTOR ASSISTANCE."

AS WE ATTEMPT TO DEVELOP A MORE COMPREHENSIVE NATIONAL APPROACH TO CHILD CARE SERVICES, WE MUST RECOGNIZE BOTH THE SCOPE OF THE PROBLEM AND THE NEED FOR FULL INVOLVEMENT BY THE PRIVATE SECTOR AS WELL AS FEDERAL, STATE, AND LOCAL GOVERNMENT. IT IS PARTICULARLY IMPORTANT THAT WE MAINTAIN A REASONABLE BALANCE BETWEEN PRIVATELY FUNDED AND PUBLICLY FUNDED DAY CARE, SO THAT WE AVOID A LARGE DRAIN ON PUBLIC RESOURCES AND AN ESCALATION OF COSTS THAT COULD RESULT FROM INTERFERING WITH THE DIRECT RELATIONSHIP BETWEEN THE PURCHASER AND THE PROVIDER.

IN THIS FRAMEWORK, THE GOVERNORS HAVE A NUMBER OF RECOMMENDATIONS FOR ACTIONS THAT WILL RESPOND TO THE INCREASED NEED FOR CHILD CARE:

FIRST, GOVERNMENTAL AND PRIVATE PERSONNEL POLICIES MUST BE ADJUSTED TO REFLECT THE GREATER DEMANDS ON OUR FAMILIES. PARENTS SHOULD NOT BE PENALIZED BY TRADITIONAL EMPLOYMENT PRACTICES THAT OVERLOOK THE NEED FOR PARENTS TO CARE FOR THEIR OWN CHILDREN. WE SHOULD ENCOURAGE EFFORTS TO ASSIST PARENTS TO COMBINE WORK WITH THE CARE OF THEIR CHILDREN AS A MEANS TO SUPPORT AND STRENGTHEN THE FAMILY, WHICH HAS ALWAYS FORMED THE BEDROCK OF OUR SOCIETY.

THE FEDERAL GOVERNMENT, THE STATES AND PRIVATE EMPLOYERS SHOULD ADOPT FLEXIBLE WORK SCHEDULING AND LEAVE POLICIES, AS WELL AS OPPORTUNITIES FOR PART-TIME WORK WITHOUT LOSS OF FRINGE BENEFITS. THERE IS ALSO A NEED FOR IMPROVED MATERNITY LEAVE, HEALTH AND EMPLOYEE ASSISTANCE BENEFITS AND A REDUCTION IN THE PUNITIVE EFFECTS AND DISCRIMINATORY NATURE OF BREAK-IN-SERVICE PERSONNEL POLICIES.

SECOND, THE AVAILABILITY OF AFFORDABLE CHILD CARE MUST BE MADE AN INTEGRAL COMPONENT OF NATIONAL INCOME SECURITY AND EMPLOYMENT PROGRAMS. CHILD CARE SHOULD BE CAREFULLY COORDINATED WITH WORK REQUIREMENTS AND TRAINING OPPORTUNITIES FOR THE DEPENDENT POPULATIONS. FEDERAL INCOME SECURITY AND EMPLOYMENT AND TRAINING PROGRAMS DESIGNED TO ENCOURAGE OR PROVIDE WORK MUST ALLOW FOR MEETING THE COSTS OF ADEQUATE CHILD CARE EITHER THROUGH INCOME

DISREGARDS OR THROUGH MORE DIRECT SUBSIDIES. IN FACT, THE GOVERNORS WOULD ARGUE THAT THE SUCCESS OF THESE COSTLY PROGRAMS DEPENDS IN LARGE PART ON THE CHILD CARE COMPONENT.

THIRD, WE MUST LEARN TO BECOME MORE INNOVATIVE IN THE WAY WE PROVIDE CHILD CARE SERVICES. IN THE 1970S THE AVAILABILITY OF AMPLE TITLE XX FUNDING RESULTED IN A MAJOR INVESTMENT IN PUBLICLY FINANCED CHILD DAY CARE SERVICES THROUGH FORMAL CONTRACTS WITH COMMUNITY BASED CENTERS. TODAY WE OFTEN EQUATE PUBLICLY FINANCED CHILD CARE WITH THESE CENTERS. YET THESE REPRESENT ONLY A PORTION OF A LARGER, EXISTING SUPPLY OF DAY CARE SERVICES. WE MUST EXPLORE ALTERNATIVES THAT ARE LESS COSTLY AND THAT REACH THOSE FAMILIES MOST IN NEED.

TOO OFTEN WE TREAT CLIENTS AS PASSIVE RECIPIENTS OF SERVICES RATHER THAN ACTIVE CONSUMERS WHO CAN ALSO CHOOSE AND MONITOR THE QUALITY OF CARE THAT THEIR CHILDREN RECEIVE. IN NEW JERSEY, FOR EXAMPLE, WE HAVE ESTABLISHED A VOUCHER PROGRAM THAT HAS REDUCED CHILD CARE COSTS AND INCREASED CLIENT INVOLVEMENT IN SELECTING CHILD CARE. THIS PROGRAM HAS ALSO ENABLED CLIENTS TO PLACE THEIR CHILDREN IN PROGRAMS NEARER THEIR HOMES, SINCE PUBLICLY FUNDED DAY CARE CENTERS ARE NOT ALWAYS IN THEIR NEIGHBORHOOD. WE ALSO TRAIN THESE CLIENTS TO IDENTIFY QUALITY PROGRAMS FOR THEIR CHILDREN SO THAT THEY CAN MAKE INFORMED CHOICES. THIS PROGRAM, ORIGINALLY FUNDED WITH FEDERAL DOLLARS AS A DEMONSTRATION PROJECT, HAS BEEN SO SUCCESSFUL THAT WE HAVE CONTINUED THE PROJECT WITH STATE FUNDS.

Fourth, we must also carefully plan publicly funded child care services and target them towards persons with the greatest needs. Child care is often essential for persons on public assistance who want to work. In New Jersey, we have found that extending day care support for persons several months after they begin employment is often essential during this transition to full independence and self-sufficiency.

Fifth, it is critical that we encourage the corporate sector to play a key role. We need to encourage more corporate sector involvement in the delivery of child care services. It is becoming well known in the business community that child care makes good business sense. There are now about 1,000 companies nationwide providing some sort of child day-care assistance to their employees. One textile firm studied by the Child Development and Family Living Department at Texas Woman's University provides a good example of the benefits available to business. This firm set up a child care center which is used by 26 percent of its 87 employees. The company estimates that it gains $6 for every $1 spent on child care, by reducing turnover from 4u to 7 percent and absenteeism from 10 to 1 percent. It also reduced its payroll by 10 production and 5 office workers, saving salary and training costs of 15 employees and reducing work space.

In New Jersey, I initiated in 1982 a project to provide technical assistance to employers in establishing or arranging child care

SERVICES FOR THEIR EMPLOYEES. WE HAVE LEARNED THAT MANY EMPLOYERS DO NOT PROVIDE THIS SERVICE BECAUSE THEY DO NOT KNOW OF THE ALTERNATIVES AVAILABLE TO THEM OR BECAUSE THEY ARE UNAWARE OF THE MANY BENEFITS THAT CAN ACCRUE TO THE COMPANY THROUGH SUCH A PROGRAM. SINCE THE PROJECT WAS INITIATED, THE NUMBER OF SUCH PROGRAMS IN OUR STATE HAS INCREASED FOUR-FOLD.

WE ASK THAT THE CONGRESS RECOGNIZE THE IMPORTANT ROLE THAT CAN BE PLAYED BY EMPLOYERS AND OTHER SEGMENTS OF THE PRIVATE SECTOR IN THE PROVISION OR FINANCING OF DAY CARE. WHILE WE ACCEPT OUR OWN RESPONSIBILITY TO CONTINUE TO ENCOURAGE INNOVATION IN THE ROLE PLAYED BY THE PRIVATE SECTOR, WE WOULD ALSO URGE YOU TO EXAMINE HOW THE TAX STRUCTURE CAN BE CHANGED TO ENCOURAGE SUCH CORPORATE INVOLVEMENT.

SIXTH, WE SHOULD MAKE BETTER USE OF EXISTING FACILITIES AND PROGRAMS. FOR EXAMPLE, LOCAL SCHOOL DISTRICTS ARE RESPONDING TO THE NEED FOR CARING FOR CHILDREN FOR GREATER LENGTHS OF TIME BY OFFERING ALL-DAY KINDERGARTEN. MANY OF THE SCHOOLS IN NEW JERSEY HAVE RECENTLY ADOPTED THIS OPTION. STATE AND FEDERAL GOVERNMENTS SHOULD TAKE INTO ACCOUNT THIS TREND WHEN CONSIDERING BOTH DAY CARE AND EDUCATIONAL POLICIES.

MANY OF OUR ELEMENTARY SCHOOLS END THEIR DAY EARLY IN THE AFTERNOON WITHOUT ANY PROVISION FOR AFTER-SCHOOL CARE, EVEN THOUGH THESE BUILDINGS REMAIN VACANT FOR THE REST OF THE DAY. YET WE KNOW THAT SOME OF THESE CHILDREN MUST RETURN TO

EMPTY HOMES, UNCARED FOR UNTIL THEIR PARENTS ARRIVE FROM WORK. IN MY STATE THIS HAS BECOME AN ESPECIALLY SERIOUS PROBLEM IN OUR URBAN AREAS WHERE SUPPORT SERVICES ARE OFTEN NOT AVAILABLE AND WHERE THE CHILD'S NEIGHBORHOOD ENVIRONMENT IS NOT SAFE. ONCE WE BECAME AWARE OF THIS, I DIRECTED THAT ALL OF THE APPROPRIATE STATE DEPARTMENTS INVOLVED IN CHILD CARE WORK WITH COMMUNITY GROUPS AND THE SCHOOLS TO RESPOND TO THIS GROWING PROBLEM.

FINALLY, THE GOVERNORS WANT TO EMPHASIZE THAT, WHEN PARENTS PLACE THEIR CHILDREN IN CHILD CARE, THEY SHOULD FEEL ASSURED THAT THOSE CHILDREN WILL BE SAFE. RECENT NEWS STORIES ABOUT CHILD ABUSE IN CHILD CARE SETTINGS IS CAUSING SERIOUS CONCERN FOR ALL OF US, AND STATES MUST BE PREPARED TO ACT QUICKLY TO TAKE CORRECTIVE ACTION. HOWEVER, WE DO NOT FEEL THESE STORIES SHOULD TRIGGER ADDITIONAL FEDERAL REGULATION.

THE ASSOCIATION BELIEVES THAT THE FEDERAL GOVERNMENT SHOULD RECOGNIZE THE STATES' PRIMARY RESPONSIBILITY TO ESTABLISH AND ENFORCE STANDARDS FOR THE CHILD CARE PROVIDER. FEDERAL ASSISTANCE IN THE DEVELOPMENT OF STATE STANDARDS, AND FEDERAL ASSISTANCE IN THE SHARING OF INFORMATION ACROSS STATE LINES, CAN BE OF HELP, AS CAN A CONTINUED OVERSIGHT ROLE.

IN NEW JERSEY, WE ARE WORKING ON LEGISLATION TO REQUIRE EMPLOYEES OF CHILD CARE CENTERS TO UNDERGO CRIMINAL BACKGROUND CHECKS AND FINGERPRINTING. WE ALSO PLAN TO INVOLVE PARENTS MORE IN CHILD

CARE CENTERS, WHICH SHOULD PROVE HELPFUL IN MONITORING THESE FACILITIES.

ALL OF THE STATES SET STANDARDS FOR CHILD CARE. THESE STATE REGULATIONS ARE NEEDED IN ORDER TO ASSURE A MINIMUM LEVEL OF QUALITY CARE. BUT SUCH REGULATIONS SHOULD NOT BE SO BURDENSOME AND COSTLY THAT THEY PRICE CHILD CARE SERVICES BEYOND THE REACH OF WORKING FAMILIES. NOR SHOULD THESE REGULATIONS BE SO COMPLEX AS TO DISCOURAGE NEW DAY CARE PROVIDERS FROM ENTERING THE MARKET.

MEETING THE NEEDS OF CHILDREN MUST BE ONE OF OUR HIGHEST NATIONAL PRIORITIES. NO SINGLE SECTOR OF SOCIETY CAN PROVIDE ADEQUATE RESOURCES FOR CHILD CARE, BUT THROUGH A COMPREHENSIVE NATIONAL POLICY AND THE COORDINATED EFFORTS OF GOVERNMENT, VOLUNTARY ORGANIZATIONS, AND THE BUSINESS COMMUNITY, WE CAN BEGIN TO EXPAND THESE SERVICES. AS MEMBERS OF CONGRESS, YOU HAVE PARTICULAR RESPONSIBILITY FOR THE LOW INCOME POPULATION, AND THE SUCCESS OF MANY OF THE MOST EXPENSIVE FEDERAL PROGRAMS -- SUCH AS INCOME ASSISTANCE AND EMPLOYMENT AND TRAINING --DEPENDS IN PART ON CHILD CARE. THE GOVERNORS BELIEVE THAT CAREFULLY TARGETED EXPANSIONS IN CHILD CARE SHOULD BE A PRIORITY FOR THE USE OF LIMITED FEDERAL DOLLARS FOR DOMESTIC PROGRAMS.

Chairman MILLER. Thank you, Governor Kean.

You mentioned that New Jersey has participated in the Federal demonstration program on vouchers. I assume when you talk about the savings you are talking about the savings to the State, to New Jersey, in terms of the administration of that program.

What have you found—in your testimony you talk about an active consumer versus a passive consumer. What have you found in terms of the users of that system and their acceptability of the voucher and their willingness to shop for care, whether for convenience or quality?

Governor KEAN. It has been extremely positive. They feel now very much involved in the program itself. In some cases, we have pursued active educational programs to help some of these consumers no matter what they are looking for, and the response to these educational programs and to the voucher option has been very, very positive. Parents have themselves looked for the best quality programs for their children. They have shopped, and not just because the program was closer to home necessarily, but because they were looking for something that they thought was going to be a particular benefit to their child.

The program has improved the quality of child care because these centers know that parents have an option, and if the centers are not providing what the parents are looking for they are going to take their voucher and go elsewhere. So to me it has been a home run in a sense. It has been an overall benefit. It has saved money and at the same time I think it has improved the quality of child care and been of great benefit by involving these parents more actively in the welfare of their own children.

Chairman MILLER. One of the big questions that has been raised by the disclosures of abuse in some child care settings, is, what can we expect from the Governors? Who regulates this system, and what impact does that regulation have?

You mentioned that New Jersey is following suit, in terms of background checks, and fingerprinting, right?

Governor KEAN. Yes.

Chairman MILLER. California, South Carolina, and now even New York, either have adopted or are about to adopt fingerprinting. Can we expect that kind of response from most of the Governors, from most of the States?

Governor KEAN. I believe so, because these kinds of crimes involving children so outrage the public and State legislators, as well as Governors, the response in our State was immediate and unanimous and bipartisan, and the only question has been how far can we pursue some of these solutions without violating the civil liberties of some of the employees. I know of the example you cite and a few other States, but I suspect this is going on in every other State because the demand by the public is so great that these kinds of checks be done, so that anybody who has any dealings with young children not be suspected of any criminal tendencies.

Chairman MILLER. Thank you.

Congressman Anthony.

Mr. ANTHONY. Welcome, Governor. I was curious as to what you have done as the Governor to encourage the private sector—in your testimony you said you have a four-fold increase. We only have a thousand, according to other testimony, all of the thousands of employers that we have, that is a drop in the bucket.

Anything I could take back to my good Governor of Arkansas?

Governor KEAN. Education. One of the things we have found is that many people in private industry are unaware of the benefits that could come to them by pursuing day care options, by having day care at the work place. We were able to take models to some of these corporations.

I held a meeting at one of our largest companies, Prudential Insurance Co. We invited businesses from around the area and I led it off, and we had representatives for a whole day talk about the values of day care, how the units could be established, and how it would improve their operations to enable employees to not have to worry about what was happening to their children while they were at work. We were able, through these kinds of methods, to encourage businesses to offer day care, but our four-fold increase started from such a low base that I can't claim we are doing everything we should right now.

We have established a liaison to business. They only have to contact one person in State government now. We are working actively with any business which wants to set up a day care center. We have had a four-fold increase, and I hope I will be able to report next year that that is a continuing process, that we have that many more businesses offering these services. The more who do and the more who have a successful experience with it, they become apostles, and they are willing to talk within the business community to others and tell their experiences.

Businesses that we have been able to attract to provide day care, they will come with us to talk to other businesses.

Mr. ANTHONY. Once you have laid out all the benefits, are you finding a receptive private sector?

Governor KEAN. Not in every case. Some are very suspicious, and they want to check it out quickly, as well as being a good corporate citizen, so it varies. The best salesmen are other businessmen or women who found success in their own operation.

We are not increasing as fast as I would like to see. I would hope that one of the things you will be looking at is whether or not there could be any tax incentives to further encourage corporations to provide more day care. Anything we can do to encourage it to happen is vitally important.

We have had nobody stop providing care. Once they are doing it, they understand it is a benefit, and it becomes a good part of the corporation, and we understand it is profitable for them as well as good for corporate and social policy, and they will sell it to others. But getting them started has been a problem.

Chairman MILLER. Mrs. Johnson.

Mrs. JOHNSON. Do you have both a publicly or federally funded day care system and a voucher program?

Governor KEAN. Yes.

Mrs. JOHNSON. Is the voucher program funded with entirely State dollars?

Governor KEAN. I made the decision very early that even where we had cutbacks in Federal funds, they would be replaced by State funds. We expanded our Day Care Program using State funds.

Mrs. **Johnson**. Does the voucher program take into account all of the income of the family or is it the same amount of voucher dollars for everyone?

Governor **Kean**. They take into account the income.

Mrs. **Johnson**. It is sort of a sliding scale voucher program?

Governor **Kean**. Yes.

Mrs. **Johnson**. In Connecticut, we are doing a legislative study about federally funded and private sector. The private sector has documented that they can provide quality day care in centers for half the cost, a very interesting statistic.

One has to ask whether State governments would be better off with an entirely vouchered program to get over the economic segregation and devote more of the State resources to oversight and quality control rather than administration of State-funded centers, a very provocative question raised in Connecticut. And it is the urban legislators that have raised this question, as to whether Federal dollars ought to be funding centers or ought to be used differently.

Governor **Kean**. That is interesting. We have got all three.

Mrs. **Johnson**. It might be interesting, if you have readily available the cost per child in the federally funded centers and the range of cost per child under a voucher system.

Governor **Kean**. We can make that available. I am almost sure the same experience is true in New Jersey. Day care is less expensive when done by the private sector. We passed a licensing bill where everybody who deals with more than six children has to go through a State licensing procedure to make sure that they are providing quality care. I am just told that private day care costs, on the average, 25 percent less than the federally funded centers in the State.

Mrs. **Johnson**. Thank you.

[The information follows:]

National Governors' Association

John Carlin
Governor of Kansas
Chairman

Raymond C. Scheppach
Executive Director

November 8, 1984

The Honorable George Miller
Chairman, Select Committee on
Children, Youth, and Families
U.S. House of Representatives
385 House Office Building Annex 2
Washington, D.C. 20515

Dear Mr. Chairman:

At your hearing on child day care on September 5, 1984, Congresswoman Johnson asked about the relative costs of day care in federally-funded centers versus the costs under New Jersey's "voucher" system. I am pleased to be able to respond to her question.

New Jersey conducted a federally-supported demonstration project for eighteen months in Hudson County, in which parents eligible for day care under the Social Services Block Grant could opt to receive a voucher in order to purchase day care from a provider of their choice. The voucher amount was fixed at no more than 75 percent, or $37.50 per week, of the contract cost of federally-funded centers, which is $52.50 per week. If the parents choose a provider which costs more than $37.50, they absorb the additional cost.

We believe that the voucher concept has significant financial and social benefits. Parents have been given assistance in identifying quality day care programs and monitoring that care over time. With the voucher, they can choose the day care that best suits the needs of their families. For these reasons, as I pointed out in my testimony, we continued the Hudson County project with state funds when the federal demonstration expired. In addition, we are seeking approval from the state legislature to offer the voucher program statewide.

We are currently conducting a statewide survey on day care costs, but it appears that the average cost of care in Hudson County is lower than in the rest of New Jersey. If vouchers are implemented statewide, the savings are likely to be less than in the Hudson County demonstration.

Once again, thank you for the opportunity to testify on this important topic. The corrected copy of my testimony is enclosed.

Sincerely,

Tom Kean

Governor Thomas H. Kean
Chairman
Committee on Human Resources

Enclosure

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Chairman **Miller**. Thank you very much for your testimony and for coming down here and representing the Governors. We appreciate your taking the time.

Governor **Kean**. I appreciate the opportunity very much, Congressman.

STATEMENT OF JULIA A. HOLMES, SECOND VICE PRESIDENT, THE LEAGUE OF WOMEN VOTERS

Ms. **Holmes**. I am Julia Holmes, second vice president of the League of Women Voters for the United States. Thank you for this opportunity to present the following recommendations on how to improve the delivery of child care services.

Joining the league in making these recommendations are the following organizations: National Organization for Women, National Women's Law Center, National Women's Political Caucus, Wider Opportunities for Women, Women's Equity Action League, and Women's Legal Defense Fund, Inc. All of these organizations share a strong commitment to achieving equal rights for women.

Our Nation must expand the availability of quality child care services, not only to ensure the health and welfare of our children but also to ensure that women have equal access to employment opportunities.

The United States, unlike many other industrial nations, lacks a comprehensive child care policy. As a result, there is no comprehensive effort to clarify and define the responsibilities of various levels of government, Federal, State, and local, to ensure that sufficient quality child care is available to those families that need it. Nor is there a coordinated effort to enlist the support of the private sector, which is just awakening to the fact that helping to meet the child care needs of employees makes sound business sense.

This testimony will focus on a number of recommendations that, if implemented, could both improve the coordination and expand the availability of quality child care.

THE NEED FOR CHILD CARE SERVICES

It surely comes as no surprise to the members of this committee that the influx of women into the labor force over the past 30 years constitutes one of the major sociological changes of the 20th century. There are almost 50 million women in the labor force in 1984, twice as many as in 1960. Many of these women are part of another important sociological change: the dramatic increase in single parent families, most of them headed by women. Women work for the same reason that men do: to support themselves and their families. These changes emphasize the need for child care services.

According to the Children's Defense Fund, there are at least 13 million children aged 13 and under whose mothers are in the work force. The supply of child care does not come close to meeting their needs. The total of only 900,000 center-based and 5.2 million day care slots is sorely deficient. CDF believes that 6 to 7 million children care for themselves.

As a nation, we can ill afford to leave our most precious resource, our children, unattended. All children, regardless of their age, need supervision and structure in order to grow into competent adult citizens. Our country must face the fact that working mothers are and will continue to be a major component of our Nation's work force. We can no longer afford to continue to apply band-aid solutions to the critical need for child care.

THE ROLE OF THE PRIVATE SECTOR

For many years, most of the private sector treated child care as the personal responsibility of employees. Most employers offered no assistance to workers. Over time this attitude has been changing, and employers are now aware of the beneficial impact of assisting employees with their child care needs.

There are a variety of efforts that employers can undertake. These range from providing onsite child care centers to developing home-care networks, to providing referral information about the availability of child care services in the community.

Employers also are beginning to change their personnel policies and practices to help their employees meet both their parenting and work responsibilities. Policies such as flex-time, job-sharing, part-time work, and parental leave for the birth or adoption of a child can go a long way toward helping parents juggle their dual responsibilities.

In addition, some employers are developing cafeteria-style benefit plans, which enable an employee to select a benefit package that best suits her or his needs. These benefit packages can include a salary reduction plan that would enable a worker to trade a given amount of salary for nontaxable dependent care services. The recent tax bill passed by Congress in June elaborated on cafeteria plans, and the IRS has issued proposed regulations on this subject.

Employers need to be encouraged to consider adopting some of the policies spelled out above. This could be accomplished if there were an effective coordinating body to provide information on various benefit plans to employers.

THE ROLE OF GOVERNMENT

The responsibility for providing quality child care does not rest with a single level of government. It is a jointly held responsibility that must be shared among all levels: Federal, State, and local. If our Nation developed a comprehensive child care policy, it would sort out the various responsibilities to be assumed by each level and establish the appropriate offices at each level of government to see that those responsibilities are carried out.

The following recommendations suggest one approach to this sorting of responsibilities among the various levels of government.

At the Federal level:

One, an office should be established in the Federal Government to coordinate Federal child care policy and to serve as a clearinghouse for information on child care services. This would facilitate the flow of information among all levels of government. The office also should develop model licensing and regulatory standards and provide suggestions for implementation of these standards at the State and local levels.

Two, additional funds should be appropriated by Congress for the Social Services Block Grant. The title XX Social Services Block Grant is one of the largest Federal sources of funds for child care. Funding for title XX has been cut from a high of $3.3 billion to $2.7 billion in fiscal year 1984.

As a result, child care services for low-income children have been drastically cut. Poor working parents have been particularly hard hit by these budget cuts. Poor women need child care not only to be able to take jobs but also to enable them to participate in educational or training programs that will prepare them for employment. This is especially true for the growing number of unwed teenage mothers, who all too frequently drop out of school, thus severely limiting their ability to find employment to support themselves and their children. In order to increase their own potential, young low-income mothers must have access to affordable child care.

Three, the Congress should examine Federal tax policies that have an impact on child care with the goal of providing increased financial assistance to low-income families for child care. The dependent care tax credit is the largest Federal child care program. It costs the Federal Government almost $2 billion annually. The credit allows families to deduct a portion of their child care expenses from their income taxes.

However, its impact is limited for low-income families. For example, a working mother who earns $10,000 per year would have to pay $2,400, 24 percent of her income, to receive the maximum tax credit of $720. However, most low-income families can afford to pay only 10 percent of their income for child care, which in this case would be $1,000, for which the tax credit would be only $300.

An expansion of the credit, as proposed in the Economic Equity Act, would offer increased assistance to low-income families. Other alternatives for increasing and targeting aid to low-income families also should be examined.

Four, increased Federal funding to State and local jurisdictions to support family day care providers should be considered in order to increase the availability and quality of this particular type of care. Family day care providers are used most frequently for infants and by families whose parents' work hours differ from the standard 9-to-5 day. Family day care is often less expensive than center care, and it is also often used by low-income families who do not have subsidized child care.

While family centered child care may be less expensive, it is also inadequately regulated. Most home care providers are unlicensed. As a result, many home care providers take care of too many children and provide poor supervision to the children in their care.

To grapple with these problems, family day care networks are being established. Once an official network is set up, homes will be licensed and providers will be able to receive assistance in many areas, including training and backup services. The networks also provide substitute care givers when the provider wishes to take a vacation or is ill. Additional support for the establishment of most networks will help to increase the availability and quality of care in family centered day care.

Five, support for other types of child care programs should be explored at the Federal level. For example, the School Age Child Care Facilities Act would provide Federal funds to promote the use of schools for before- and after-school care. School-based programs are becoming more and more popular, because of their convenience for parents. One single type of child care will not meet every working parent's needs. Federal support should encourage the development of new and innovative programs as well as lending financial support to the more traditional forms of child care.

At the State level: One, as we suggested the establishment of an office to coordinate Federal child care policies, so do we recommend that child care policies at the State level be coordinated by a single office.

Two, States should develop minimum standards of quality for child care. These standards should include: A safe and clean physical environment; appropriately trained and qualified staff and/or family day care providers; a suitable ratio of staff to children for each age group; and minimum curriculum guidelines or program activities. The State should ensure that it has the ability to enforce these standards.

Three, other types of assistance that States may want to provide include: Support for the establishment of resource and referral programs, which help to maximize the use of a community's existing child care resources by linking providers with parents seeking services; funding for training programs for child care providers; and increasing State dependent care tax credits for low-income families.

At the local level: One, since child care services are provided at the local level, it is local government that clearly plays a key role, both in terms of enforcement of standards and in the coordination of services. While we have recommended the development of model standards at the Federal level and the establishment of minimum standards at the State level, local jurisdictions should clearly have the option of setting more stringent standards for care.

In addition, local jurisdictions should examine their zoning laws to ensure that they do not impede the establishment of child care centers or family based centers. Health codes, as they apply to centers, also should be evaluated.

Two, local governments can ensure that Federal funds, available through such programs at the Job Training Partnership Act [JTPA], General Revenue Sharing [GRS] or the Community Development Block Grant [CDBG] Program, are used to the greatest extent possible to support child care services.

For example, under JTPA, up to 30 percent of the funds available under title II to train the economically disadvantaged can be used for nontraining costs, including administration and support services such as child care. Generally speaking, the 30-percent cap is split 50–50 between supportive services and administrative costs, but a waiver on the 15-percent cap for supportive services can be granted by a Governor if requested by the local private industry council. In addition to JTPA, local governments can use up to 10 percent of their CDBG funds for administrative and support services, which includes child care.

Three, in addition to the above, local governments may want to consider such options as forming partnerships with the local school systems to set up before- and after-school care programs or providing training for family child care providers.

Conclusions: The need for accessible and affordable child care is growing. To meet that need presents a challenge for all of us: As parents, as concerned citizens, as employers, and as Government officials. It is a challenge that we cannot afford to ignore, for if we do, we are gambling on the future of our Nation's most precious resource, our children. In addition, we are keeping many women who must support themselves and their families out of full participation in the work force.

Thank you.

[Prepared statement of Dorothy S. Ridings follows:]

PREPARED STATEMENT OF DOROTHY S. RIDINGS, PRESIDENT, LEAGUE OF WOMEN VOTERS OF THE UNITED STATES

I am Dorothy S. Ridings, president of the League of Women Voters of the United States. Thank you for this opportunity to present the following recommendations on how to improve the delivery of child care services.

The LWV is a volunteer citizen education and political action organization made up of more than a quarter million members and supporters in more than 1,300 state and local Leagues in all 50 states, the District of Columbia, Puerto Rico and Virgin Islands. Joining the League in making these recommendations are the following organizations: National Organization for Women, National Women's Law Center, National Women's Political Caucus, Wider Opportunities for Women, Women's Equity Action League, and Women's Legal Defense Fund Inc.

All of our organizations share a strong commitment to achieving equal rights for women. Our nation must expand the availability of quality child care servcies, not only to ensure the health and welfare of our children but also to ensure that women have equal access to employment opportunities.

The United States, unlike many other industrial nations, lacks a comprehensive child care policy. As a result, there is no comprehensive effort to clarify and define the responsibilities of various levels of government—federal, state and local—to ensure that sufficient quality child care is available to those families that need it. Nor is there a coordinated effort to enlist the support of the private sector, which is just awakening to the fact that helping to meet the child care needs of employees makes sound business sense.

This testimony will focus on a number of recommendations that, if implemented, could both improve the coordination and expand the availability of quality child care.

The need for child care services

It surely comes as no surprise to the members of this committee that the influx of women into the labor force over the past 30 years constitutes one of the major sociological changes of the 20th century. There are almost 50 million women in the labor force in 1984, twice as many as in 1960. Many of these women are part of another important sociological change—the dramatic increase in single parent families, most of them headed by women. Women work for the same reason that men do—to support themselves and their families. These changes emphasize the need for child care services.

According to the Children's Defense Fund, there are at least 13 million children aged 13 and under whose mothers are in the work force. The supply of child care does not come close to meeting their needs. The total of only 900,000 center-based and 5.2 million family day care slots is sorely deficient. CDF believes that six to seven million children care for themselves.

As a nation, we can ill afford to leave our most precious resource—our children—unattended. All children, regardless of their age, need supervision and structure in order to grow into competent adult citizens. Our country must face the fact that working mothers are and will continue to be a major component of our nation's work force. We can no longer afford to continue to apply band-aid solutions to the critical need for child care.

The role of the private sector

For many years, most of the private sector treated child care as the personal responsibility of employees. Most employers offered no assistance to workers. Over time this attitude has been changing, and employers are now aware of the beneficial impact of assisting employees with their child care needs.

There are a variety of efforts that employers can undertake. These range from providing on-site child care centers, to developing home-care networks, to providing referral information about the availability of child care services in the community.

Employers also are beginning to change their personnel policies and practices to help their employees meet both their parenting and work responsibilities. Policies such as flex-time, job-sharing, part-time work and parental leave for the birth or adoption of a child can go a long way towards helping parents juggle their dual responsibilities. In addition, some employers are developing cafeteria-style benefit plans, which enable an employee to select a benefit package that best suits her or his needs. These benefit packages can include a "salary reduction plan" that would enable a worker to trade a given amount of salary for non-taxable dependent care services. The recent tax bill passed by Congress in June elaborated on cafeteria plans, and the IRS has issued proposed regulations on this subject.

Employers need to be encouraged to consider adopting some of the policies spelled out above. This could be accomplished if there were an effective coordinating body to provide information on various benefit plans to employers.

The role of government

The responsibility for providing quality child care does not rest with a single level of government. It is a jointly held responsibility that must be shared among all levels—federal, state and local. If our nation developed a comprehensive child care policy, it would sort out the various responsibilities to be assumed by each level and establish the appropriate offices at each level of government to see that those responsibilities are carried out.

The following recommendations suggest one approach to this sorting of responsibilities among the various levels of government. At the federal level:

1. An office should be established in the federal government to coordinate federal child care policy and to serve as a clearinghouse for information on child care services. This would facilitate the flow of information among all levels of government. The office also should develop model licensing and regulatory standards and provide suggestions for implementation of these standards at the state and local levels.

2. Additional funds should be appropriated by Congress for the Social Services Block Grant. The Title XX Social Services Block Grant is one of the largest federal sources of funds for child care. Funding for Title XX has been cut from a high of $3.3 billion to $2.7 billion in Fiscal Year 1984. As a result, child care services for low-income children have been drastically cut. Poor working parents have been particularly hard hit by these budget cuts. Poor women need child care not only to be able to take jobs but also to enable them to participate in educational or training programs that will prepare them for employment. This is especially true for the growing number of unwed teenage mothers, who all too frequently drop out of school, thus severely limiting their ability to find employment to support themselves and their children. In order to increase their own potential, young low-income mothers must have access to affordable child care.

3. The Congress should examine federal tax policies that have an impact on child care with the goal of providing increased financial assistance to low-income families for child care. The dependent care tax credit is the largest federal child care program. It costs the federal government almost $2 billion annually. The credit allows families to deduct a portion of their child care expenses from their income taxes. However, its impact is limited for low-income families. For example, a working mother who earns $10,000 per year would have to pay $2,400—24 percent of her income—to receive the maximum tax credit of $720. However, most low-income families can afford to pay only 10 percent of their income for child care (which in this case would be $1,000, for which the tax credit would be only $300). An expansion of the credit—as proposed in the Economic Equity Act—would offer increased assistance to low-income families. Other alternatives for increasing and targeting aid to low-income families also should be examined.

4. Increased federal funding to state and local jurisdictions to support family day-care providers should be considered in order to increase the availability and quality of this particular type of care. Family day-care providers are used most frequently for infants and by families whose parents' work hours differ from the standard 9 to 5 day. Family day care is often less expensive than center care, and it is also often used by low-income families who do not have subsidized child care.

While family-centered child care may be less expensive, it is also inadequately regulated. Most home care providers are unlicensed. As a result, many home care providers take care of too many children and provide poor supervision to the children in their care. To grapple with these problems, family day-care networks are being established. Once an official network is set up, homes will be licensed and providers will be able to receive assistance in many areas, including training and backup services. The networks also provide substitute care givers when the provider wishes to take a vacation or is ill. Additional support for the establishment of more networks will help to increase the availability and quality of care in family-centered day care.

5. Support for other types of child care programs should be explored at the federal level. For example, the School Age Child Care Facilities Act would provide federal funds to promote the use of schools for before- and, after-school care. School-based programs are becoming more and more popular, because of their convenience for parents. One single type of child care will not meet every working parent's needs. Federal support should encourage the development of new and innovative programs as well as lending financial support to the more traditional forms of child care.

At the state level:

1. As we suggested the establishment of an office to coordinate federal child care policies, so do we recommend that child care policies at the state level be coordinated by a single office.

2. States should develop minimum standards of quality for child care. These standards should include: A safe and clean physical environment; appropriately trained and qualified staff and/or family day-care providers; a suitable ratio of staff to children for each age group; and minimum curriculum guidelines or program of activities.

The state should ensure that it has the ability to enforce these standards.

3. Other types of assistance that states may want to provide include: support for the establishment of resource and referral programs, which help to maximize the use of a community's existing child care resources by linking providers with parents seeking services; funding for training programs for child care providers; and increasing state dependent care tax credits for low-income families.

At the local level:

1. Since child care services are provided at the local level, it is local government that clearly plays a key role—both in terms of enforcement of standards and in the coordination of services. While we have recommended the development of model standards at the federal level and the establishment of minimum standards at the state level, local jurisdictions should clearly have the option of setting more stringent standards for care. In addition, local jurisdictions should examine their zoning laws to ensure that they do not impede the establishment of child care centers or family-based centers. Health codes, as they apply to centers, also shold be evaluated.

2. Local governments can ensure that federal funds, available through such programs as the Job Training Partnership Act (JTPA), General Revenue Sharing (GRS) or the Community Development Block Grant (CDBG) program, are used to the greatest extent possible to support child care services. For example, under JTPA, up to 30 percent of the funds available under Title II to train the economically disadvantaged can be used for non-training costs, including administration and support services such as child care. Generally speaking, the 30 percent cap is split 50–50 between supportive services and administrative costs, but a waiver on the 15 percent cap for supportive services can be granted by a governor if requested by the local Private Industry Council. In addition to JTPA, local governments can use up to 10 percent of their CDBG funds for administrative and support services, which includes child care.

3. In addition to the above, local governments may want to consider such options as forming partnerships with the local school system to set up before- and after-school care programs, or providing training for family child care providers.

Conclusions

The need for accessible and affordable child care is growing. To meet that need presents a challenge for all of us—as parents, as concerned citizens, as employers and as government officials. It is a challenge that we cannot afford to ignore, for if we do, we are gambling on the future of our nation's most precious resource, our children. In addition, we are keeping many women who must support themselves and their families out of full participation in the work force.

STATEMENT OF SARAH HARDER, ASSISTANT TO THE VICE CHANCELLOR, UNIVERSITY OF WISCONSIN-EAU CLAIRE; DIRECTOR, LEGISLATIVE PROGRAM, AMERICAN ASSOCIATION OF UNIVERSITY WOMEN

Chairman MILLER. Ms. Harder.

Ms. HARDER. This is an old story, one that many of us lived, as well as observed. I have lived the story as well as observed it. I thank the select committee for the opportunity to testify on behalf of the American Association of University Women, which is the Nation's oldest and largest women's organization with over 194,000 members.

My testimony is grounded on my own experience in returning to earn a college degree in the early sixties as the single parent of two preschoolers. But it is based as well on my current role as a University of Wisconsin-Eau Claire administrator who founded both a child care center and a program for returning adults.

It is built on years of Wisconsin legislative advocacy, including chairing our State's new statutory women's council for whom child care is a major focus. And my testimony incorporates nationwide contacts as director of AAUW's Legislative Program representing members' local efforts to effect access to child care. AAUW recognizes quality dependent care as a major component in "equity for women and self development over the life span," which is our mission statement.

The select committee seeks policies and approaches which will stimulate joint efforts to expand child care options. My recommendations and AAUW's are starkly simple. They are three: First, recognize that we have no national child care policy and that without a coherent national policy, the most elaborate patchwork of services will discriminate by default against the most vulnerable.

Second, stimulate the availability of child care where it is missing and extend knowledge of where it exists.

Third, recognize child care as the key component for women in transition to economic independence, and invest in their futures and their children's because to do so is sound economics.

Without addressing these recommendations, child care service will not be significantly improved despite the quantity of lip service contributed by Federal, State, and local governments or the private sector.

The bipartisan child care initiative should make the development of a coherent national child care policy its first priority. Without such a policy there is no real incentive for most State and local governments nor the private sector to enter the child care arena with serious purpose. Without such a policy, the Federal budget cuts of 1981 struck a staggering blow to a young service sector which even then met the needs of fewer than 1 in 20 preschoolers whose mothers were employed.

The conversion of title XX into the Social Services Block Grant threw the child care community into disarray not only because of the loss of funds. Nearly as serious was the elimination of minimum standards of care, of eligibilty inclusions, and procedures for planning. State by State, there has been a need to reconstruct such provisions at a time when energies were sapped simply attempting to meet a mounting need with diminished resource.

Resource losses included title XX user revenue, food program cuts, and employment program cutbacks which had provided cooks, janitors and teachers aides. Whatever the merits of free-market deregulation, its effects in child care has been elimination of standards in many States, exclusion of whole categories of users, and 32 States in 1983 serving fewer children than in 1981.

Wisconsin is one of the very few States which have successfully reconstructed in State law title XX protections of the rights of those in education and training, standards for quality, and funds earmarked at the county level for child care users. Elsewhere we know that 31 States have accomplished reductions by making it harder for families to be eligible, and 16 States have cut more from child care than the overall block grant reduction of 21 percent.

In States or rural areas where child care is seen as subversive to the family, there is every reason since 1981 to stand pat. A State senator in Missouri told me, "We don't want to encourage mothers to leave home"—this in response to AAUW lobbying for the first day care licensing standards in the State. The standards failed.

Even in progressive Wisconsin, we still fail to contribute State revenues to child care. Few States have followed North Carolina's lead there. Our Wisconsin Women's Council cosponsored a June conference on Employer Support for Child Care; 106 people attended. There was a great deal of cheer-leading. But there is little to provide incentive for those who now have the awareness to discover the means. The quality of lipservice may have improved since 1981. The quality of child care service has marched steadily backward.

Two small encouraging congressional moves this spring address my second recommendation: That we must stimulate child care where it is missing and extend knowledge of where it is. Need for both the School Facilities Child Care Act and the child care information and referral bill has been confirmed by national AAUW projects. Our well-publicized "phone-friend" community projects provided a volunteer afterschool contact-by-phone for latchkey children. Clearly that was not the solution but a band-aid. By recognizing a high need unserved population, H.R. 4193 will encourage community collaboration between nonprofits and education agencies to meet the need. Similar initiatives are needed to stimulate care programs for infants to age two and in rural areas, where there is virtually nothing on the map.

AAUW's families and work project has established pilot projects in urban sites in Arkansas, Indiana, and California to build community partnerships on behalf of dependent care. All three sites have identified a contradiction in apparent availability of services and the frustrations of those attempting to locate appropriate programs. Recognizing that traditional routes do not adequately connect user with program, each site has built an information and referral component into its pilot.

Action is needed on both the bills I have mentioned before funds for information referral or after-school care become reality. The fact that small Federal allocations will address both these needs is encouraging to AAUW. Our experience with seed money grants shows their effectiveness in stimulating State and local initiatives. However, with so extensive a need to fill the gaps in child care and to utilize what little we have, these legislative actions must be seen as small tokens when broad initiative is needed.

My final recommendation is perhaps most significantly related to AAUW's mission and certainly to my own experience. National policy must recognize child care as the factor which makes the difference in many women's transition to economic independence. In retrospect, I recognize the incredible good luck which saved me at age 21 with 2 children, no degree and no child support. The first was parents who were able and willing long distance to provide the child support neglected by my husband. The second was access to a good low-tuition State college because an unusual child care center accepted my children based on what I could pay. The contributions I have made since as a taxpayer and citizen tell me it is in our Nation's best interest to invest in the futures of women in transition by investing in child care.

You have voluminous statistics showing that lack of affordable child care is a major factor keeping women and children in poverty. AAUW and the Wisconsin Women's Council know from painful testimony that lack of child care excludes many eligible women from Job Training Partnership Act benefits. I enclose data from the Women's Council statewide JTPA review. We found dozens of cases like the woman who was forced to drop out of JTPA training because the SDA would not pay the $20 per week difference between her county child care subsidy and the cost of caring for her two children in the only licensed center.

Wisconsin is building bridges in our State between JTPA and support services, but the compelling fact is that child care keeps women from employment. One of every five women is unemployed because she is unable to make satisfactory child care arrangements. Unemployment for single mothers with children under 6 is nearly 20 percent. The first concern for women with children is care for the children. If they can't get help with child care, they will fulfill their material responsibility first. A national study of adolescent mothers showed that child care and its access to further education was the major difference in those who had only one baby and those who went on to have more. Testimony in council public meetings listed case after case of mothers driven back to welfare because they couldn't maintain child care costs. Most vulnerable under current cuts are women who aspire to fulfill their potential by enrolling in college programs. Education is still seen by many as a frivolity which poor women cannot afford.

The child care initiative must recognize the need for transitional support services for women seeking economic independence. AAUW strongly recommends establishing a Federal funding stream for mothers enrolled in training programs and college programs, mothers looking for work, and mothers entering the labor force who have complete training.

As a centerpoint for a national policy, AAUW believes such an investment would be an impetus for State and local governments and the private sector to build the availability of child care. Without incentive and without a central national focus, our efforts in child care are doomed to patching a tattered patchwork of support for families and for opportunity.

Thank you, Mr. Chairman.

Chairman Miller. Thank you.

[Prepared statement of Sarah Harder follows:]

PREPARED STATEMENT OF SARAH HARDER, DIRECTOR OF LEGISLATIVE PROGRAM, AMERICAN ASSOCIATION OF UNIVERSITY WOMEN

I thank the Select Committee on Children, Youth and Families for the opportunity to testify on behalf of the American Association of University Women, the nation's oldest and largest women's organization with over 194,000 members. My testimony is grounded on my own experience in returning to earn a college degree in the early sixties as the single parent of two pre-schoolers. But it is based as well on my current role as a University of Wisconsin-Eau Claire administrator who founded both a child care center and a program for returning adults. It is built on years of Wisconsin legislative advocacy including chairing our state's new statutory Women's Council for whom child care is a major focus. And my testimony incorporates nationwide contacts as Director of AAUW's Legislative Program representing members' local efforts to affect access to child care. AAUW recognizes quality dependent care as a major component in "equity for women and self development over the life span," which is our mission statement.

The Select Committee seeks policies and approaches which will stimulate joint efforts to expand child care options. My recommendations and AAUW's are starkly simple. They are three. First, recognize that we have no national child care policy and that without a coherent national policy, the most elaborate patchwork of services will discriminate by default against the most vulnerable. Second, stimulate the availability of child care where it's missing, and extend knowledge of where it exists. Third, recognize child care as the key component for women in transition to economic independence, and invest in their futures and their children's because to do so is sound economics. Without addressing these recommendations child care service will not be significantly improved despite the quantity of lip service contributed by federal, state, and local governments or the private sector.

The bipartisan Child Care Initiative should make the development of a coherent national child care policy its first priority. Without such a policy there is no real incentive for most state and local governments nor the private sector to enter the child care arena with serious purpose. Without such a policy the federal budget cuts of 1981 struck a staggering blow to a struggling young service sector which even then met the needs of fewer than one-in-twenty preschoolers whose mothers were employed.

The conversion of Title XX into the Social Services Block Grant threw the child care community into disarray not only because of the loss of funds. Nearly as serious was the elimination of minimum standards of care, of eligibility inclusions, and procedures for planning. State by state there has been a need to reconstruct such provisions at a time when energies were sapped simply attempting to meet a mounting need with diminished resources. Resource losses included Title XX user revenues, Food Program cuts, and employment program cutbacks which had provided cooks, janitors and teachers aides. Whatever the merits of free-market deregulation, its effect in child care has been elimination of standards in many states, exclusion of whole categories of users, and 32 states in 1983 serving fewer children than in 1981.

Wisconsin is one of very few states which have successfully reconstructed in state law Title XX protections of the rights of those in education and training, standards for quality, and funds ear-marked at the county level for child care users. Elsewhere we know that 31 states have accomplished reductions by making it harder for families to be eligible and 16 states have cut more from child care than the overall block grant reduction of 21%. In states or rural areas where child care is seen as subversive to the family, there is every reason to stand pat. A state senator in Missouri told me, "We don't want to encourage mothers to leave home"—this in response to AAUW lobbying for the first day care licensing standards in the state. The standards failed. Even in progressive Wisconsin, we still fail to contribute state revenues to child care. Few states have followed North Carolina's lead there. Our Wisconsin Women's Council co-sponsored a June conference on Employer Support for Child Care. 106 people attended, but there is little to provide incentive for those who now have the awareness to discover the means. The quality of lip service may have improved since 1981. The quality of child care service has marched steadily backward.

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That small federal allocations will address both these needs is encouraging to AAUW. Our experience with seed money grants shows their effectiveness in stimulating state and local initiatives. However, with so extensive a need to fill the gaps in child care and to utilize what little we have, these legislative actions must be seen as small tokens when broad initiative is needed.

My final recommendation is perhaps most signficantly related to AAUW's mission and certainly to my own experience. National policy must recognize child care as the factor which makes the difference in many women's transition to economic independence. In retrospect I recognize the incredible good luck which saved me at age 21 with two children, no degree, and no child support. The first was parents who were able and willing long distance to provide the child support neglected by my husband. The second was access to a good low-tuition state college because an unusual child care center accepted my children based on what I could pay. The contributions I have made since as a taxpayer and citizen tell me it is in our nation's best interest to invest in the futures of women in transition by investing in child care.

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The Child Care Initiative must recognize the need for transitional support services for women seeking economic independence. AAUW strongly recommends establishing a federal funding stream for mothers enrolled in training programs and college programs, mothers looking for work, and mothers entering the labor force who have complete training.

As a centerpoint for a national policy, AAUW believes such an investment would be an impetus for state and local governments and the private sector to build the availability of child care. Without incentive and without a central national focus, our efforts in child care are doomed to patching a tattered patchwork of support for families and for opportunity.

STATEMENT OF CARLA CURTIS, POLICY ANALYST, NATIONAL BLACK CHILD DEVELOPMENT INSTITUTE

Chairman MILLER. Ms. Curtis.

Ms. CURTIS. Mr. Chairman, other members of the Select Committee on Children, Youth, and Families, I am pleased to have the opportunity to speak before you on behalf of the National Black Child Development Institute, a national membership organization committed to the healthy development of black children.

Also, on behalf of the institute, I would like to commend this committee for its ongoing bipartisan child care initiative which has served to bring to the forefront of the national public agenda the issue of child care. We at the institute are hopeful that this initiative will result in a renewed commitment on the part of the Federal Government to strengthen and enhance its role in assisting State and local governments, the private sector, child care providers and families to meet the current demand for expanded, affordable child care services.

To this end, the following recommendations are submitted for your consideration in forming a national response to this critical need:

First, increase title XX Social Services Block Grants on an annual basis to keep up with inflation, as has been pointed out earlier in the day by several other panelists, and also to include an earmark for child care. In addition, I think it would be good to consider using this program to provide incentive payments to States who target a service need like child care, identify existing policies and programs at the State or county level which act as barriers or constraints to providing the service and making recommendations for legislative or executive action.

Allow States to increase the child care expense for AFDC recipients to reflect the current market cost of child care.

Amend existing tax policies so that child care subsidies benefit not only middle and upper income families but lower income families as well by extending the sliding scale and making the tax credit refundable.

Establish a Federal funding source for training child care providers and providing technical assistance.

Create a demonstration grant to be used for curriculum developing models to meet the needs of children from different cultural, racial and ethnic backgrounds.

Improve the child care food program by restoring the meal pattern and target the family day care component of this program so more minority and low-income providers can participate.

Create a national child care information and referral program.

Assist local communities in establishing school-age child care programs in the public schools and in other community agencies.

Create a special needs grant program to fund projects designed to address unique child care needs of targeted populations, such as sick children, disabled children and children of incarcerated parents.

Appoint a national commission on child care standards to review and evaluate the status of existing regulatory policies at the State and local level. This commission could serve then as a resource and provide technical assistance to State and local governments, as well as perhaps develop model standards to address the kinds of children in various child care settings that would be age specific.

Examine existing child care and related policies to assess the inclusion of practices which promote parental choice and involvement. Ensure the inclusion of such concepts in any new legislation.

Create an office of day care within the Department of Health and Human Services to coordinate and administer any national child care initiative, as well as to conduct national research for the purpose of designing, collecting, and maintaining policy relevant information.

As has also been demonstrated and indicated earlier, the need for child care has been very well documented through various census reports, congressional reports, and independent research studies. Much less attention, however, has been given to the economic and social conditions in the black community which make the need for child care indispensable.

A report which analyzed and integrated census data and labor statistics found that over half of all black families are at incomes below $15,000 a year. Specifically, of the 6.5 million black families today living in this country, one-third live below the poverty level, while among families with children under 18 years of age, about 41 percent are living below the poverty level. The sharp rise in the number and proportion of black families headed by women increases the likelihood that families will be poor and that the children of these families will live in poverty.

The growing group of black families headed by single females has a median income below the poverty level, and only one-half the median income of single white female heads of household.

Surveys have substantiated the fact that for most parents, if given the opportunity to secure adequate quality child care, they will accept employment. While the need for child care has been well documented and well established, if black and poor families are to be given the opportunity to work and to attain economic parity within the broader society, child care is a significant factor.

What do we know about what black families want and need in terms of meeting their child care needs? We do know, regardless of economic status, family members want the opportunity to raise their children in a protected and healthy environment, exposing them to experiences which will maximize and promote developmental potential.

Because of the work schedules of parents and the problems of transportation, there is a need for diversity in location, the hours of operation, and the services provided, such as meals and medical screenings or other medical services. Black families have expressed a preference for center-based care when that is available, recognizing this type of care is often more expensive than inhome or family day care.

Research studies also support the notion that parents are very concerned about the availability of care for infants, school-age children, sick children and to have care available at odd times of the day and evening. This is particularly important for low-income families who would otherwise have no opportunity for a respite or a break away from the day-to-day routine of parenting.

Two other factors of special concern to black parents, and again substantiated through the research, are the cost of care and the opportunity for parents to become involved in the planning, ongoing evaluation of programs, as well as having the opportunity to make a choice about the type of child care situation in which their children are placed.

If the child care programs are to address the needs and concerns of black families, they must be characterized by the following: Provide diversity in program orientation and location; promote an economic mix of children; offer financial assistance to families in need of help, encourage parental involvement; and support families who need child care to participate in the paid labor force.

Again, it can be argued that every child has special needs and every child care need is a special need. We feel that every effort must be made to address the child care needs of all families who want and need assistance in fulfilling their child rearing responsibilities. We recommend a diversified model, which includes varied settings such as child care centers, family day care homes, churches and schools be considered, and in addition; such a model should provide financial assistance to families in need of help, recognize the special or unique child care needs among certain segments of the population and promote parental choice and involvement.

[Prepared statement of Carla Michelle Curtis follows:]

PREPARED STATEMENT OF CARLA MICHELLE CURTIS, POLICY ANALYST, NATIONAL BLACK CHILD DEVELOPMENT INSTITUTE

To the members of the House Select Committee on Children, Youth and Families, I am pleased to have this opportunity to testify on behalf of the National Black Child Development Institute on the topic, "Improving Child Services: What Can Be Done?" On behalf of the Institute, I would like to commend the Committee for its on-going, bipartisan, child care initiative which has served to bring to the forefront of the national public agenda the issue of child care.

The National Black Child Development Institute (NBCDI) is a national, membership organization dedicated to promoting the healthy development of Black children. In 33 local affiliates throughout the United States and the Virgin Islands, volunteers engage in advocacy activities and provide services to thousands of children. Our constituency consists of Black children and families of every economic and social group who want to provide a good life for their children.

During the fourteen year history of the Institute, child care has been a focal issue. During the 1970's, the Institute provided direct technical assistance to child care advocates and providers in the South who wanted to start child care programs for Black children; currently, the Institute provides leadership to the child care community by convening the Ad Hoc Day Care Coalition. This Coalition is composed of a group of representatives from a variety of advocacy groups, namely organizations which address the concerns of children, their families, and women in particular. All of the organizations share a common concern -- working toward the expansion of affordable, quality child care services for families.

WHY IS CHILD CARE IMPORTANT TO THE BLACK COMMUNITY?

The need for child care has been well documented through recent census data, congressional and government reports, and independent research studies. We know that:

- Among married women with children under 6, the proportion who were working increased from 30 percent in 1972 to 49 percent in 1982.
- Among divorced, widowed, and separated women with children under 6, the proportion who were working increased from 47 percent in 1972 to 61 percent in 1982.
- Women account for 62 percent of the growth in the U.S. labor force since 1982; over 80 percent of working women are concentrated in low-paying sales, service, clerical, or similar jobs.

Much less attention has been given to the economic and social conditions in the Black community which today make the need for adequate child care indispensable. Child care must be viewed as an economic support for families who work, participate in work-related training as well as for those looking for work; it is also a vital support service for families which can address and promote the developmental needs of children and assist parents in fulfilling their child-rearing responsibilities.

Tom Joe (1983), in a report which analyzed and integrated census data and labor statistics, found that over half (54 percent)

cent) of all Black families are at income levels below $15,000 a year, compared with 28 percent of white families. Specifically, of the 6.5 million Black families living in this country today, one third (33 percent) live below the poverty level; among Black families with children under 18, 40.7 percent live below the poverty level (Fendler, 1984).

The proportion of Black families in the moderate- and lower-income ranges ($10,000 - 24,999, and below $10,000 respectively) have increased since 1970. The sharp rise in the number and proportion of Black families headed by women increases the likelihood that Black families will be poor and the children in these families will live in poverty. According to economist Henry Felder (1983), the growing group of Black families headed by single females has a median income below the poverty level and only one-half the median income of single, white, female heads of household.

The economic picture among married couples is not much better. According to a recent report by the Bureau of Census (1984), in 20 percent of Black families, with the husband present, the wife is either the sole earner or the higher earning spouse. In only 11 percent of white families is this the case. Black married women used to have higher rates of labor force participation rates than their white counterparts. In recent years however, this situation has changed.

What do all of these statistics and economic forecasts mean? Black families today have less disposable income for child care which is an essential support service to enable families with children to secure access to, and participate in the paid labor force.

In 1982, children lived in poverty at a rate 1.4 times the rate for the entire population. Two of the factors responsible for the relative increase in poverty among children are:

1. The increased number of families headed by women (many of whom do not work while those who do are concentrated in low-paying jobs).
2. The slow rate of increase in welfare payments over the past twenty-five years.

Many single heads of household, unable to secure adequate employment, must depend on AFDC to care for their children. In most states, increases in welfare payments are not adjustable for inflation. Between 1980 and 1982, inflation increased 17.1 percent; income from public assistance (AFDC) on the average, increased by only 11.3 percent.

Surveys have substantiated the fact that most parents, if given the opportunity, will accept employment provided a quality child care arrangement is available for their child(ren). While the need for child care has been well established, if Black and poor families are to be given the opportunity to attain economic parity with the broader society, child care becomes a significant factor.

Child care is also a vital support service to families in need of assistance to promote the developmental growth of children.

Many families want a child care experience for their children so that the child has the opportunity to interact with other children of the same age group in a safe and healthy environment. Child care can also serve to provide parents with a break or "respite" from their routine child-rearing responsibilities which is necessary to keep families healthy and intact.

WHAT DO BLACK FAMILIES WANT AND NEED?

Black families, regardless of their economic status, want the opportunity to raise their children in a protected and healthy environment, exposing them to experiences which will maximize and promote their developmental potential. When a parent must work or participate in activities which take them away from the child, they want a substitute caregiver to offer their child the same opportunities for healthy growth and development.

When considering a child care arrangement, be it in a family day care setting or center-based facility, parents want to have the opportunity to select an arrangement which is affordable, is easily accessible, and reflects the needs and child-rearing preferences of the family. Through enforceable child care standards, each child should be assured a safe and healthy environment; parents also want to be assured that the emotional, social, physical and intellectual development of the child(ren) will be addressed in the care setting.

Because of the varied work schedules of parents and the problems of transportation many of them experience, there is a need for diversity in location, the hours of operation, and services provided, such as meals. Black families, when asked, have repeatedly expressed a strong preference for center-based care for preschool children (2-5 years) due to the more apparent educational component (Hill-Scott, 1979; Low and Spindler, 1975; and Immerwahr, 1983). This sentiment was even expressed when asked of parents participating in the National Day Care Home Study. These parents indicated that even though center-based child care was more expensive, if they could afford it, they would place their children in such a program (Fosburg, 1981).

While there is a paucity of current research data on consumer evaluation or assessment of child care services, from the information which is available on Black families we know parents are particularly concerned that their child's nutritional needs be met. Parents are very concerned about the availability of child care for infants, for school-aged and sick children, and at odd times of the day or evening (Curtis, 1984; Fosburg, 1981; Immerwahr et al, 1983).

Two other factors of special concern to Black parents are the cost of care and the opportunity for parents to become involved in the planning and ongoing evaluation of programs. These points are substantiated in my own research in which 150 low- and middle-income Black parents of children in center-based programs throughout

Washington, D.C. are surveyed (Curtis, 1984). Black parents, regardless of income, want their children to enjoy the same opportunities and experiences of other children; they also wish to be involved in the programs.

If child care programs are to address the needs and concerns of Black families, they must be characterized by the following:

- Provide diversity in program orientation and location.
- Promote an economic mix of children.
- Offer financial assistance to families in need of help.
- Encourage parental involvement.
- Support families who need child care to participate in the paid labor force.

DO EXISTING CHILD CARE PROGRAMS ADDRESS FAMILY NEEDS?

Dependent Care Tax Credit

The largest child care program in the United States today is the $2 billion Dependent Care Tax Credit. This program, which subsidizes the child care and other dependent care costs of families, does not, in its current form, benefit lower-income families, and it provides limited support to lower-middle income families. Even with refundability (a provision which would return to families that portion of their earned credit which their tax liability will not offset), the credit is not the best approach to assisting low-income families.

Title XX - Social Services Block Grant

The best approach to helping families improve their ability to purchase child care is through a direct service approach, such as the Title XX Social Services Block Grant. Since 1981, the overall reduction in the budget (over 20 percent), coupled with the loss of the earmark for child care has severely impeded the capacity of this fundamental social service funding source to the states to address the growing child care needs of poor and low-income families.

Child Care for AFDC Recipients

In examining the issue of child care for AFDC recipients, it is important to keep in mind many of the families on AFDC do work, at least part-time. The current $160 per month, per child, limitation on allowable expenses for child care precludes the ability of more parents to consider employment, which might ultimately result in their removal from the welfare rolls. This amount of money cannot pay for a month of center-based child care in most cities throughout the country, which as previously stated, is the prefered form of care by most Black parents. Family day care is less expensive than center based care. However, the cost differential between the two types of child care arrangements is closing such that infant care in both settings may cost as much as $100 a week in many urban communities today. Parents working part-time in some states receive less than a $160 a month for child care which may further limit a family's access to care.

Many programs require full day registration regardless of the number of hours a child is actually in care.

Families on AFDC are penalized further due to the order in which child care and other allowable work-related expenses are deducted from the families' earned income. Because a family's child care expenses are subtracted from earnings first, the size of the "$30 and 1/3" work-related disregard is lowered. This results in a loss of income which families could otherwise apply to other needs including child care. The current limitation on on the amount of child care expense an AFDC family may deduct from their earned income must be changed to reflect the current market cost of child care. In addition, to insure that families receive the maximum benefit of the child care and other work-related deductions, the order in which the deductions are taken should be changed.

Child Care Food Program

The Child Care Food Program (CCFP) is an important child care program because it helps defray the cost of meals provided to children while they are cared for in day care centers or family day care homes. Regardless of how much a family pays for child care or their total annual income, parents are interested in the nutritional intake their children receive away from the home. As a result of the cuts in this program in 1981, the capacity of the program to meet the nutritional needs of children in child care settings has been diminished.

Regardless of how long a child remains in the care of a provider, day care centers and family day care homes can now only serve two meals and one snack a day. This limitation on the program makes it difficult for providers to consider extending their hours or developing 24 hour care facilities, the demand for which is growing.

A criticism of the CCFP from the perspective of the Black community is that it has not been utilized sufficiently by Black family day care providers. Specifically the family day care component of the CCFP is not targeted to minority and low-income providers who in turn serve poor and minority children and families.

Many families of children under age 3 use family day care, and we certainly support the expansion and utility of family day care systems which must be incorporated into a "diversity model". However, much more attention should be given to recruiting Black family day care providers as participants and sponsors in the CCFP. Family day care should be redefined in the Black community because most Black providers are not in the organized market. The CCFP can play a critical role in this effort which, in turn, will result in more targeted services to poor and minority children.

Training and Curriculum Development

Quality child care services are a valued commodity. Important to the development of quality services is training for child care providers. Training for providers has long been associated with more positive and stimulating behavior on the part of caregivers. Research studies have shown that caregivers who receive some child care training display more skills related to teaching, comforting, and the effective use of play and language activity.

Related to training is the need for child care providers to plan and implement curriculum modes which can address the unique needs of children from different cultural, racial, and ethnic backgrounds. Recently, members of NBCDI's Child Care Advisory Committee, composed of early childhood educators, researchers, and providers, identified the lack of exercises and activities which promote Black or group identity and positive self-concepts among pre-school children as the biggest void in effective program and curriculum development.

Existing Service Gaps

Finally, there are a number of gaps which exist in the current child care service system -- the most critical of which include a lack of adequate programs to address the child care needs of school-age children, infants, handicapped and sick children.

For many families throughout the country, locating quality care for infants and school-age children that is both affordable and accessible is virtually impossible. Programs that assist low-income families with their child care costs rarely provide additional funds for infant care which is significantly higher than the cost of care for pre-schoolers. There are a limited number of programs across the country which offer care to school-age children, but again, unless a subsidy is available, lower- and lower-middle income families do not have the extra $15 to $40 a week necessary to pay for these programs.

Infants, handicapped and sick children are often referred to as children with "special" child care needs due primarily to the difficulty associated in finding and financing such care. Two other groups of children which should be included in this category are children at risk of abuse or neglect and children of incarcerated parents.

Child care has become an increasingly critical resource for families referred to child protection services for alledged abuse or neglect. It can also be used as a support service to children at risk of harmful treatment or removal from their home. This is of particular concern to the Black community since 46 percent of children in foster care are Black; 55.6 percent of Black children have been in care for two years or longer compared to 36 percent of white children. Child care in this instance becomes a support service to families which may prevent the temporary or permanent removal of children from their homes and placement in foster care.

The children of inmates, male and female, are a hidden, if not forgotten group of children. This issue is of particular concern to the Black community due to the disproportionate number of Blacks -- men and women -- who are incarcerated. No one agency, at the state or local level, is charged with the responsibility of looking after the total needs of this population. It is difficult to determine the arrangements incarcerated parents make for the care of their children, particularly for infants and preschoolers because no records of such arrangements are maintained.

Last year in the State of Virginia, the status and need for services to incarcerated mothers and their children received attention in the legislature. Under House Bill 737, women inmates would receive the statutory right to keep their infants with them while incarcerated. The child would remain with the mother for at least the first year of life unless there is subsequent cause to believe that this is not in the best interest of the child.

Early childhood researchers have emphasized the importance of bonding between parent and child, particularly during the first year of life. National and local studies of incarcerated mothers and their children concur that programs for strengthening the ties between the incarcerated mother and child should be encouraged. This is especially true for those mothers who wish to maintain contact with their children during their incarceration. Fewer studies have examined the relationships between incarcerated fathers and their children, but this too deserves further thoughtful consideration.

It can be argued that every child has "special needs" and every child care need is a "special" need. Every effort must be made to address the child care needs of all families who want and need assistance in fulfilling their child-rearing responsibilities. We recommend a "diversity model" which promotes the development of a variety of programs in varied settings (i.e. child care centers, family day care homes, schools, churches). In addition, such a model should provide financial assistance to families in need of help, recognize the special or unique child care needs among certain segments of the population and promote parental choice and involvement.

Specific Recommendations

Based on our knowledge and understanding of the child care needs and concerns of the Black community -- children, parents, and child care providers -- the following recommendations are offered:

- Increase the Title XX Social Services Block Grant Appropriation Annually.
- Target a line item in the Title XX Social Services Block Grant for incentive payments to states who target a service need, like child care, identify existing policies and programs at the state or county levels which act as barriers or constraints to providing the service, and make recommendations for legislative and executive action.
- Increase the child care expense for AFDC recipients ($160 per month, per child) to reflect the current market cost of child care; allow families their total $30 plus 1/3 work incentive deduction before deducting child care expenses.

- Amend existing tax policies so that child care subsidies will benefit lower-income families as well as moderate and upper-income families.
- Establish a federal funding source for training child care providers and providing technical assistance.
- Create a demonstrations grant which can be used for developing curriculum models designed to meet the needs of children from different cultural, racial, and ethnic backgrounds.
- Improve the Child Care Food Program by restoring the five meal pattern and targeting the family day care component of the program so that more minority and low-income providers can participate.
- Create a National Child Care Information and Referral Program.
- Create a program which will assist local communities in establishing school-age child care programs.
- Create a "Special Needs" Grant Program to fund demonstration projects designed to address the unique child care needs for targeted populations.
- Appoint a National Commission on Child Care Standards to review and evaluate the status of existing regulatory policies at the state and local levels; the Commission should develop model standards which are age specific and designed to address the needs of children in various child care settings.
- Examine existing child care and related policies to assess the inclusion of practices which promotes parental choice and involvement; insure the inclusion of such concepts in new legislation.
- Create an Office of Day Care within the Department of Health and Human Services that would coordinate and administer federal child care initiatives and conduct a national research project for the purpose of designing, collecting and maintaining policy relevant research and information.

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STATEMENT OF JOYCE BLACK, PUBLIC POLICY CHAIR, CHILD WELFARE LEAGUE OF AMERICA; PRESIDENT, DAY CARE COUNCIL OF NEW YORK, NEW YORK CITY

Ms. BLACK. I am Joyce Black, a member of the board of directors and chair of the public policy committee of the Child Welfare League of America as well as being past president. The league is a membership organization composed of public and voluntary not-for-profit child welfare service agencies. It is the only national voluntary organization which sets standards for child welfare services in the United States and Canada. I am also president of the Day Care Council of New York, a federation of 350 citizen boards operating day care programs in the five boroughs of New York City.

As one of the organizations which worked very hard for the creation of this bipartisan select committee, the Child Welfare League wishes to thank you for the data you have gathered and the national forum you are providing for children's issues. You have my testimony in written form. And I would like to offer some day care policy recommendations from the Child Welfare League with examples from innovative programs in New York.

The Federal Government's involvement in day care has been motivated, more often than not, by concerns other than the well-being of the Nation's children. Government has sponsored day care programs primarily in the interests of employment and the reduction of welfare dependency. The Child Welfare League suggests that the committee may find it useful to make safe, developmental care of children the central consideration for a national day care policy.

We certainly agree with Representative Marriott that provisions for parents to care for their own children, if they choose, is an essential element in any national day care policy. However, as committee data indicates, fewer and fewer American parents have this choice. Economic necessity is rapidly closing out this option. While this committee may not choose to take on the broad economic problems, there are some more circumscribed issues which we believe the committee can and should address.

For example, the Congressional Caucus on Women's Issues is working with some of your colleagues on a family employment security bill which would establish some Federal mandates for minimum parental leave for parents who choose to stay home to parent a newborn or newly adopted child; minimum sick leave to enable parents to care for sick children; and job security following child care leave. Some proposed Social Security System changes also address this issue.

In New York, the Day Care Council was asked to do a needs assessment for the United Nations. In a survey of 6,000 U.N. families, we had an extraordinary response, 4,000 of those sent out. We found the greatest expressed need to be infant care for nursing mothers. We designed a near-worksite program which opened last fall to provide care for 48 nursing infants whose mothers work nearby and can share in their care. And you have probably heard of our program in Albany's Government Center where government worker parents may be near their children and visit them during the day. This center was established in 1979 with funding from the Governor's Office and from the Civil Service Employees Association. Three others will be opening at State sites in the fall of this year.

These are exciting programs. They are good programs. They help families to be together and parents to be close to their children, but they are expensive, we have worked hard to negotiate the public-private partnership funding models recommended by the Reagan administration. We have even achieved some new combinations, such as the three-sector sponsored Chinatown Program which was established by the Chinatown Planning Council—a voluntary organization—with funding from the International Ladies Garment Workers Union and title XX funding allocated by the city.

But for the vast majority of parents who would like to be with their infants, their sick children or their adolescents in need of supervision, there are no options. We would, therefore, suggest that the committee investigate the possibility of drafting or supporting legislation which would expand parental care options through employment security mandates and Social Security earnings sharing.

We are pleased to note that the information and referral bill is proceeding toward enactment in this Congress. However, you must know that this $8 million program is a very small remedy for a very large problem. The Day Care Council of New York has established a computerized information, counseling and referral system which allows us to utilize all available resources to find good care for our children. We have programs listed in the five boroughs of New York, as well as Nassau, Suffolk and Westchester Counties and northern New Jersey and southern Connecticut, because this is where many of the people come from, who work in New York City.

Our program alone cost $25,000 to put into operation. It is important to be able to talk to parents about how they choose care for their children. We have developed check lists, questionnaires, which come back to us through the parents. All of our programs are licensed and visited by our own staff. We also get information back on a 6-month basis from each one of the directors of these programs, and we have first-hand hands-on kind of information from parents who have seen and who have made their choices. We never let parents go out with less than three choices.

The other problem with information referral, particularly in a large urban area that has an extraordinary number of day care programs, is the vacancy control question. We have been trying to work and have been working with the city of New York for 4½ years, with a $500,000 grant from the city and the State, to initiate a control system, so we immediately know where the vacancies are, because without that, the people can still go around in circles.

A vacancy control system which we hope to add will cost at least $1 million. We recommend that you take another look at I&R programs and consider recommending more Federal seed moneys. We believe that parents who have access to such services have more choices and can more responsibly participate in their children's care. It is our experience that such services tend to generate more options for care as providers realize they have referral sources and the support of such agencies in establishing and improving their day care services.

Voucher systems are frequently advanced as the mechanism for parental choice. It has not been our experience that this is necessarily so. Without some accountability mechanism, the driving force becomes advertising and price cutting, rather than good care monitored by a responsible public or voluntary agency. Consumer protections are a necessity because it is child care which is being purchased.

Currently the Day Care Council of New York is performing the monitoring and accountability function for the city which is pilot testing a voucher system in 25 centers. We will be glad to make the evaluation results available to the committee at the conclusion of the project. In the meantime, we would point out that voucher systems require funding streams just like any other day care assistance and come with no built in guarantees that decent care is being purchased unless there is a provision for a monitoring and accountability function.

Care of children away from their own families involves certain hazards. The Child Welfare League believes that the community has a responsibility to see that appropriate safeguards are set up and enforced to ensure the well-being of children in day care. Every State should—but many, many do not—have legislation for licensing or some form of regulation of day care whether or not the auspices are proprietary, voluntary or public. We suggest that the committee recommend to Congress that it stipulate that states must have licensing requirements and enforce them.

We also propose that the Federal Government appoint a panel of experts to draft model day care standards as a guide for States. This is a panacea, as we all know. Standards are important, but they are only as important as the people who enforce them. If the people are not qualified to know what they are looking for, things can break down very easily.

Child Welfare League agencies throughout the country have accepted the challenge to find alternative funding sources for children's services, because when title XX funding was reduced, the population of children in need of care was not reduced and the cost of providing services rose. The Day Care Council of New York has provided or is in the process of providing needs assessments and tailoring employee day care assistant programs for 29 corporations in the city of New York, and in the State of New York, at this particular time.

The bottom line remains; when fewer Federal dollars are returned to States and localities for social services, including day care, services for many poor children whose parents would like to work their way out of poverty are simply nonexistent. Additional private funding frees up some public money for subsidies for poor children, but not nearly enough. Corporations cannot fill that gap that the Federal Government has reduced in dollars.

The Child Welfare League believes that day care should be supported by the community with voluntary contributions and public funds. I am here to tell you that the public funds, Federal funds, are an absolutely necessary component of day care funding. We are trying, but we cannot possibly maintain services without Federal funding, particularly for children of the working poor. We are asking your committee to recommend that Congress increase funding for title XX to at least $3.3 billion and restore the day care earmark.

We have supported improvements in the dependent care tax credit. We are also supporting Representative Conable's proposals to safeguard the dependent care benefits in employer sponsored cafeteria plans under a cap and integrated with the tax credit. As a matter of policy, the committee may wish to note that these items of tax asistance for middle and upper income families purchasing child care promise to far exceed title XX funding for day care for poor families. The league recommends that raising the subsidies for poorer families is an obvious and equitable next move.

I thank you for the opportunity to testify. I invite you to come to New York to visit some of our exciting day care programs. I hope I have convinced you that, even with our most creative and hard-working eforts and public-private partnerships, we need Federal funding and Federal leadership for day care.

Thank you.

[Prepared statement of Joyce Black follows:]

PREPARED STATEMENT OF JOYCE BLACK, PUBLIC POLICY CHAIR, CHILD WELFARE LEAGUE OF AMERICA BOARD; PRESIDENT, DAY CARE COUNCIL OF NEW YORK

My name is Joyce Black, and I am a member of the Board of Directors of the Child Welfare League of America and chair the League's Public Policy Committee. In addition to serving on the boards of several city, state and national public and voluntary organizations, I am the President of the Day Care Council of New York, a federation of over 350 citizen boards operating day care programs in the five boroughs of New York City.

The Child Welfare League of America was the first, and continues to be the only national, not-for-profit, voluntary membership organizations which sets standards for child welfare services in the United States and Canada. The League is a privately supported membership organization comprised of 350 child welfare agencies whose efforts are directed to the improvement of care and services for children and their families. League member agencies include religious groups as well as non-sectarian public and voluntary, not-for-profit agencies. The League also represents 1,100 affiliated child care agencies through our 24 state child care associations. Members and affiliated agencies of the League serve several million children in the United States and Canada and represent over 6,000 volunteer board members and several thousand more direct service volunteers.

I thank you for the opportunity to appear before the Committee today. As one of the national organizations which worked very hard for the creation of this bipartisan Select Committee, the Child Welfare League is appreciative of the time, thought and effort which members of this Committee have devoted to assessing the status of the nation's children over the past year and a half. Your March 15th press conference announcement of intention to focus on day care was particularly gratifying. Those of us who are directly engaged in making day care services available to children of all socio-economic groups know that care for our youngest citizens is an exceedingly critical issue. It is most heartening to hear that your Committee hearings around the nation have made this publicly and persuasively apparent. We thank you for the data you have gathered and published and for the national forum you are providing. And we have high hopes that the Committee's efforts will result in much needed national, state and local day care policies and programs for children.

It is my understanding that, having surveyed existing child care arrangements, needs and problems, the Committee is preparing to assess its data and formulate policy recommendations to be submitted to the Congress. I should like to offer policy recommendations of the Child Welfare League of America along with concrete examples of the demonstrated results of various innovative approaches to day care in the City of New York.

CHILDREN AT THE CENTER

The federal government's involvement in day care has been motivated, more often than not, by concerns other than the well being of the nation's children, although we all speak of children as our greatest national resource. Government has sponsored day care programs primarily in the interests of employment and training, and the reduction of welfare dependency. Perhaps this accounts for the piecemeal approaches to day care which make it so difficult for us to achieve a coherent national day care policy. The Child Welfare League member agencies are committed to serving children's needs, and we suggest that the Committee may find it useful to make safe, nurturing and developmental care of children the central consideration for day care policy decisions.

PARENTAL CARE

As Committee data indicates, fewer and fewer American parents have a choice as to whether they will provide full time care for their children themselves. Single parent households and economic necessity are rapidly closing out this option for what used to be the norm, but is no longer. While this Committee may not choose to deal in depth with the very large problems of employment and training or economic growth, there are some more circumscribed issues which we think the Committee can and should address. For example, the Congressional Caucus on Women's Issues is currently working with some of your colleagues on a Family Employment Security bill which would establish some federal mandates for minimum parental leave for parents who choose to stay home to parent a newborn or newly adopted child and minimum sick leaves to enable parents to care for sick children.

The Pregnancy Discrimination Act of 1978 requires that pregnancy related disability be treated like other short term disabilities. However, federal law does not require employers to provide disability leave, paid or unpaid, for any employees. Nor are there any federally mandated job security guarantees. In the absence of such legislation, many parents are deprived of the choice to care for their own children. And we know there are families who would make this choice if they could.

In New York, the Day Care Council was asked to do a day care needs assessment for the United Nations. We found the greatest expressed need to be infant care for nursing mothers. We designed a near-work site program which opened last fall to provide care for 48 nursing infants whose mothers work nearby and can share in the care. We are proud of this program and it holds promise for other communities.

The second greatest need indicated from the survey of 6,000 United Nations families was for after school care for the very young -- 6 7 and 8 year olds, the so-called "latchkey" children. This growing societal phenomenon must be seriously addressed, as it was by the New York State legislature's recently enacted legislation to create a $300,000 program of grants to help voluntary, not-for-profit groups initiate programs for latchkey children. It is gratifying to note that the federal School Facilities Child Care bill is making some headway in the Congress. We hope that you will follow New York's example and pass legislation addressing the latchkey problem. We believe there is a need for a variety of care options which cover the entire age span from infancy to adolescence, and we believe the School Facilities bill could help communities begin to fill in some of the gaps.

You have all heard of our program in Albany's government center where government worker parents may be near their children and visit them during the day. This center was established in 1979 with a special allocation of funds from the Governor's office and funding from the Civil Service Employee's Association. It now cares for 103 children from infants to 6 year olds, and has a long waiting list.

These are exciting programs. They are good programs. They help families to be together and parents to be close to their children. But they are expensive. We have worked hard to negotiate the public-private partnership funding models recommended by the Reagan Administration's Private Sector Initiative for Child Care. We have even achieved some new combinations of funding support. For instance, the International Garment Workers Union put up the money to establish a trust to help establish a day care program in the Chinatown area through the Chinatown Planning Council which is a voluntary agency. The City put up an equal amount of money in Title XX funds in order to subsidize this program for low income garment workers. This is a fine example of cooperation between the three sectors: voluntary, private and public. Another example is that several of our largest hospitals and medical centers are either loaning money to their on-site day care programs at no interest or giving free rent and food service which reduces the cost considerably.

But, in the end, for the vast majority of parents who would like to be with their infants, their sick children, their adolescents in need of supervision, there are no options. We would therefore suggest that the Committee investigate the possibility of drafting or supporting legislation which would give parents some choice through employment security mandates. We agree with Rep. Marriott that provision for parents to care for their own children, if they choose, is an essential element in any national day care policy.

PARENTAL CHOICE AND PARTICIPATION

The purpose of day care is to supplement the care and protection that children receive from their parents. In using a day care service, parents retain all their legal rights and responsibilities for the child, although they share responsibility for the child's daily care. Parents should be involved in all decisions affecting their child. Representatives of parents served by an agency should be included on the governing board of the voluntary agency and of the day care advisory committees of public agencies.

Too often children are denied their right to decent care as parents abrogate this responsibility to choose appropriate care settings and be involved in the service program. Often this is a matter of economic pressure. Parents must go to work and someone has to take care of the children. In our experience, one of the most useful mechanisms for protectin- children is community information and referral services which can offer parents some direct assistance in finding appropriate care. When the Ladies Home Journal published an article on day care earlier this year, hundreds of parents wrote in from all over the country with just this question: "How do I go about finding good child care in my community?"

We are pleased to note that the Information and Referral bill is proceeding toward enactment in this Congress. However, you must know that this $8 million program is a very small remedy for a very large problem. The Day Care Council of New York has established a computerized Information, Counseling and Referral system which allows us to utilize all available resources to find care for our children. We have programs listed in the five boroughs of New York as well as Nassau, Suffolk and Westchester counties, northern New Jersey and southern Connecticut. Our program alone cost $25,000 to put into operation. The vacancy control program which we urged the city to underwrite several years ago is still not up and running. When it is completed, it will have cost at least one million dollars. The Council's program is working. We know it serves children and their families well. It will reduce the larger expenditures which abusive care or no care would otherwise produce. We recommend that you take another look at Information, Counseling and Referral programs and consider recommending more federal seed moneys to make this service available for children in other communities.

We believe that parents who have access to information and referral have more choices and can more responsibly participate in their children's day care. It is also our experience that such services tend to generate more options for care as potential providers realize they have referral sources and the support of such service agencies in establishing and improving their day care work. This is also one means of drawing the unlicensed, non-taxpaying day care providers into a more constructive community of day care providers.

Voucher systems are frequently advanced as the mechanism for parental choice. It has not been our experience that this is necessarily the case. In the first place, a parent with a voucher may have few choices if providers and potential providers have closed up shop because there is no means of projecting a demand for their particular services. More importantly, without some accountability mechanism, the driving force may become advertising and price cutting rather than good care monitored by a responsible public or voluntary agency. In day care, consumer protections are a necessity because it is child care which is being purchased, and it is our children who will suffer if the service is deficient.

In New York, our experience with vouchers has been limited. Voucher systems require funding streams, just as do other forms of day care assistance. And, to assure that expenditures are for good care, voucher systems require monitoring and public accountability. Currently the Day Care Council of New York is performing the monitoring and accountability function for the city which is pilot testing a voucher system in 25 day care centers. We will be glad to make the evaluation results available to the Committee at the conclusion of the project.

LICENSING AND STANDARDS

Care of children away from their own families involves certain hazards. The Child Welfare League believes that the community has a responsibility to see that appropriate safeguards are set up and enforced to ensure the wellbeing of children cared for outside their own homes in other families or in groups, under public or voluntary auspices and in the privately operated facility or independent home.

Every state should (but not all do) have legislation for licensing or some form of regulation of day care, whether or not the auspices are proprietary, voluntary or public. Legislation should provide a formal procedure for approval of the facility. Day care providers should have a legal obligation to deliver services in compliance with mandated codes and a social responsibility to promote the welfare of children.

The licensing agency in the state should be responsible for ensuring the quality of care provided by proprietary facilities and facilities under the auspices of churches, business, and labor unions, as well as that provided by public and private nonprofit agencies. The agency should be prepared to help providers meet state requirements established to protect children and to offer programs that will be beneficial to children.

As it has turned out, in delegating this sort of responsibility to states, it is not sufficient to specify that services funded with federal moneys must meet relevant state and local standards. We suggest that the Committee recommend to Congress that it stipulate that states must have such licensing requirements and enforce them.

Following the repeal of the Federal Interagency Day Care Standards in 1981, the Child Welfare League, as a standard setting national organization, received many requests from state and local governments for copies of the League's Day Care Standards. In the absence of any federal standards, states and localities are struggling to establish relevant protections and goals for day care services.

We propose for the Committee's consideration that the federal government appoint a panel of experts whose assignment it would be to draft some model day care standards which could serve as a guide for states. Standards represent a positive approach to the harmful practices we attempt to prevent by licensing and monitoring. Lest you think of this as an unimportant proposal, I would like to call your attention to other federal model standards, such as those for the prevention of child abuse in institutions, which have been useful to the states and have served children well. In the words of long time Child Welfare Executive Joseph Reid, "Standards are intended to be goals for continuous improvement of services to children."

FUNDING FOR DAY CARE

The Child Welfare League agencies throughout the country have accepted the challenge to find alternative funding sources for children's services. When Title XX funding was reduced, the population of children in need of care was not reduced, and the cost of providing services went up. We have learned that, indeed, some private sector employers can be persuaded to invest in day care benefits for their employees. Fifteen years ago the Day Care Council of New York began working with employers to assess their employees day care needs. At that time, management was enthused but employees were unresponsive. Five years ago we tried again, holding a one day conference on day care for 78 corporate executives. Since then, corporate day care sponsorship in our city has been growing and growing. We held a second conference this year at the request of corporations. The Day Care Council has provided or is in the process of providing needs assessments and tailoring employee day care assistance programs for over 25 corporations and and nonprofit organizations, including: Channel 13; the United Nations; Teachers College; New York Community College; Avon; Doyle, Dane and Bernbach; Young and Rubican; Dime Savings Bank; International Ladies Garment Workers Union; District Council 37; Brooklyn Union Gas; New York-Cornell Medical Center; Methodist Medical Center; New York University Medical Center; Bronx Municipal Medical Center; Benedictine-Kingston Hospital and several other corporations and organizations. We are implementing on-site day care centers in 6 hospitals and medical centers, near-site programs for 3 organizations and other specialized programs (such as information, counseling, referral, parent seminars and personnel benefit programs) for 10 corporations.

But the bottom line remains much the same. When fewer federal dollars are returned to states and localities for social services, including day care, services for many poor children whose parents would like to work their way out of poverty are simply nonexistent. Additional private funding frees up some public money for subsidized slots, but not nearly enough.

The Child Welfare League believes that day care should be supported by the community with voluntary contributions and public funds. I'm here to tell you public funds, federal funds, are an absolutely necessary component of day care funding. We are trying, but we cannot possibly maintain services without federal funding, particularly for the children of the working poor.

We are asking your Committee to recommend that Congress increase the funding for Title XX to at least $3.3 billion and restore the day care earmark. Poor families and children needing day care are not strong, visible lobbyists, and they are losing out in the current competition for Title XX funds under the 1981 block grant which gives states full discretion for determining what services to fund.

We have supported improvements in the Dependent Care Tax Credit in order to increase somewhat its availability to families with lower incomes. Likewise we are supporting Rep. Conable's proposals to safeguard the dependent care benefits in employer sponsored cafeteria plans under a cap and integrated with the tax credit. While we realize these federal tax measures do not really help poorer families, it is our hope that Congress will consider refundability for the tax credit, and that this Administration's campaign to convince employers to offer day care benefits to employees will expand what is now a very modest amount of corporate support for employee day care. In New York City, there is now a growing enthusiasm in the corporate community. However the recent IRS regulations and proposed retroactive sanctions have tended to precipitate retreat from flexible benefit plans altogether, rather than a redrafting of benefit plans to meet the recent regulatory requirements.

As a matter of policy, the Committee may wish to note these items of tax assistance for middle and upper class families purchasing child care promise to far exceed the Title XX funding for day care for poor families. The League recommends that raising the subsidies for poorer families is an obvious and equitable next policy move.

FEDERAL PRESENCE

Lastly I would like to call your attention to the fact that, although, as your hearings and research have so clearly indicated, child day care is one of the most critical concerns in our nation today, there is no federal entity whose job it is to address this important area of our lives. When citizens call the Department of Health and Human Services with an inquiry about day care, they are told there is no longer a federal day care office. We suggest that you consider the feasibility of establishing some unit within HHS, perhaps in conjunction with the model standards panel, which can serve as an information source and an exchange for creative day care planning and programming.

I thank you for the opportunity to testify today. I invite you to come to New York to visit some of our exciting day care projects. I hope I have convinced you that, even with our most creative efforts and public-private partnerships, we need federal funding and federal leadership for day care.

Chairman MILLER. Thank you.

You mentioned that you are initiating a limited voucher program in the city, is that correct?

Ms. BLACK. The city has.

Chairman MILLER. Is that underway?

Ms. BLACK. That is underway and we will be happy to give you the result when it is completed.

Chairman MILLER. The vouchers would be redeemable, if you will, at what, a licensed facility?

Ms. BLACK. Only licensed facilities.

Chairman MILLER. So you are suggesting in terms of the voucher that to throw it open to the marketplace, it should be in combination with some criteria as to quality?

Ms. BLACK. Precisely, and these centers—there are only two—that accepted the challenge of going into the voucher system. The majority of them are profit centers. So that we have a balance here of both profit and publicly subsidized centers and these people are purchasing the service funds in only a small area, but I will give you the final results of that because we are doing the analysis of it. I think we should find it very interesting.

Chairman MILLER. That would be very helpful. You obviously saw today the interest of the committee in that approach, as Governor Kean talked about it. I think that would be very helpful to the committee as we start to put together some of the recommendations to the Congress.

Ms. BLACK. I think one of the things I would say to you is that we have had great success with our very fine medical institutions in New York City. We are opening 3 day care programs in three of our largest institutions this fall—Columbia Presbyterian, Methodist, et cetera. We are working with Cornell and so forth. It was referred to before about family day care and family day care networking. I think this is a very important aspect of choice and option for institutions and corporations, and we are also doing that not only with two medical centers in New York but with several other voluntary agencies where there is a core of people that we have recruited around that agency so they have the support system from that agency.

You see, all of our family day care in New York City is supervised and is quite different than it is in some other parts of the country. It is a very big networking system. We don't have enough of it actually. I think the interest in this has been generated and is going to escalate as time goes on, particularly for infants.

Chairman MILLER. This panel and other panels have obviously raised the issue of standards that seems to be accelerating to the forefront in the debate on child care, and if I read your testimony correctly, most of you believe that the function of setting those standards should continue to reside at the State level. Is that a fair summation of what you have said?

Ms. CURTIS. I would like to say for clarification of my comments that while we recognize that it is probably going to stay at the State and local level, we do see a role for the National Government in terms of providing technical assistance, some guidance as State and local——

Chairman **Miller**. I understand that. That was going to be my next question. And if that is so and we have expectations as people who might expand the Federal participation, whether through title XX, tax credits, voucher, whatever it is, it would also seem that part of the call that has been made earlier today and in the regional hearings is that an expansion of title XX and/or a set-aside would allow for the kind of training for people, because of the unfortunate incidences taking place, are now clamoring for.

Basically the training issue in terms of public policymakers has been kind of an added on luxury. Now what we are seeing is you get what you pay for and you are going to need this additional effort if you are going to upgrade the standards and require greater education and technical understanding, that there is to be some effort to help the States out with that would be the follow-on to having the States improve their standards or fill in the holes.

Ms. **Harder**. The standards as far as I am concerned, have been much too heavily focused on physical facilities. We are very good on doors and windows and pay almost no attention to training.

Chairman **Miller**. Height of toilets.

Ms. **Harder**. Yes, that licensing focus operates as a disincentive to people and there is virtually no motivation or no resources available for training. I am with the last panel in saying that frankly that is where it is at, and I think also when one starts talking about in-home child care, licensing has to be much more connected to the ability to receive ongoing training than it does to the physical facilities.

I know, for instance, of numbers of people who have been discouraged from having in-home programs in Wisconsin, which has very high physical licensing standards, who would have been excellent providers, who had the training. Because they were doing it in the basement family room of a house they were told no, sorry, it can't be below ground, and a variety of other, what I would consider illogical disincentives.

Ms. **Black**. Interestingly enough, New York City has different standards than the State of New York, higher than the State of New York, and yet we have had, as you well know, some problems recently. So I think standards are very, very important and must be done. That is why we recommend having a panel develop model standards, but I think there are two other pieces here and I don't think that they can be disregarded because those standards—and I am talking about physical standards, I am talking about the developmental part of our at least center base programs as well as developmental part in our family day care system, which we have a very strong component—is that they have to be looked at and they have to be enforced. The place that has lost the most and greatest number of staff and money has been in that particular area.

Also, the qualification of those people who are going in to do that evaluation have to be people who know what to look for, not just the size of the toilets. It has to be a lot more than that. So that even with the very high standards—and I can attest to the fact that we have them—yet there were problems because they were not properly enforced.

To me not only that piece, but the training piece is probably the most important part of all, and if we don't start getting more moneys to train parents, parents and children as well as staff, which have been trained but continuous, as well as boards. Our boards—I am only now speaking for New York—we have some boards who are very knowledgeable. Others must receive more training and know what their responsibilities are as far as overseeing management of day care, in order not to have some of these horrible experiences again.

Ms. Holmes. While the league believes the standards should be set at the State as a model, it is very clear that the local jurisdiction is the one that provides the day care and they are the ones that are going to have to be involved in the enforcement and coordination of the service. Very clearly along with the State standards you must have an involvement of the local area.

Chairman Miller. Ms. Curtis, you mentioned the preference that was found in the study on family day care among some minority families for center based care, based on the assumption or belief that it would provide a better educational opportunity for the children. Can you elaborate on that?

Ms. Curtis. I think I referenced in the extended version which you are speaking of the national research data which is available, as well as some more localized or regional studies which have focused on black families and their preference. The preference has been for the center based model of care. And as you said, it is because there is a presumed educational, more developmental component in place which may or may not be the case. In terms of family day care, what we have heard discussed today is that with the lack of moneys available to support training as well as provide assistance in planning and developing extensive curricula the developmental approach to care is difficult to provide or ensure. I think this is a concern of parents, regardless of economic income.

Chairman Miller. Let me ask you, in your collective wisdom, does this follow on the idea that was mentioned earlier by Congresswoman Johnson, this idea of satellite programs? Is it conceivable within the probable structure that you can have family day care that is connected to satellite programs, so perhaps the children can take advantage of educational opportunities once, twice, three times a week, but you can still have the best of both worlds in terms of some cost reduction and more exposure to well defined educational programs that sometimes are only available, because of the numbers, at center based programs?

Ms. Black. Yes, it is very successful and that is what I was referring to when I was referring to one of those cluster based programs around a very, very fine old settlement house which has very good educational components in their Head Start and nursery school, but also after school programs, which these children are able to participate in.

Chairman Miller. They need not all participate in all programs at the same time?

Ms. Black. No. The oversight on these family day care homes and training is all clustered together. It is very successful.

Ms. Harder. Our university has a less formalized model, but one that is in evolution. We have a child care center that has operated very successfully for about 15 years and we have connected a kind of continuing education noncredit, very low cost course for day home care providers based in the center and have therefore provided for what we see as a very productive interaction between our trained child care workers there and home providers.

Ms. CURTIS. Congressman Miller, if I may add, I think one of the problems from our perspective when you look at the family day care networks and the umbrella organizations, outside of the large urban centers you don't have the involvement of blacks and other minorities. Therefore you can't presume that if these networks are in place that black child care providers are going to benefit from the training, information, the toy exchange, or whatever may be in place. I think that there has to be some incentives and directives to facilitate the involvement of those that are currently excluded. Again, these are also the people who are the prime representatives of the underground market that has been also referred to.

Ms. BLACK. Let me ask you a question about that. For instance, in the city of New York, the providers are primarily black, and we are now increasing to include other minorities to make it a more integrated program. So I would say that there was no exclusion in New York City, they are the ones that have received the training.

Ms. CURTIS. I indicated my concern is for the provider network outside of the large urban communities like New York City, Los Angeles.

Ms. HARDER. I think we have to recognize outside of those same urban settings, even networks of any kind are very much in their infancy and there is almost nothing to stimulate them beyond personal initiatives. Operators are trying to handle both management of their child care operation and increasingly trying to meet the unmet need out of their own human resources.

Ms. BLACK. There is another question that I would raise that was raised by the panel that was about the costs, because I am not so sure that in New York where we have some profit today, we don't have the chance—they can't come into New York State at this point because they do not meet our standards. But we have a lot of profit day care, very, very good, it is excellent. But their costs are the same as the subsidized and sometimes a great deal more—I would say a lot more. I can give you some very interesting cost figures, a lot higher than some of the figures that were mentioned here.

Ms. HARDER. I thought the $5,000 figure for infant care was minimal.

Ms. BLACK. I would double it.

Chairman MILLER. That would be very helpful.

Ms. HARDER. I would like to raise an issue, too. As I listened to Governor Kean I was waiting for him to get to recommendation No. 8—which he didn't get to—because I remember in 1983 that the National Governors' Association came out with a children policy which emphasized the call for State governments to serve as model employers by demonstrating value and validity of assisting families in child care in various ways. I didn't hear that recommendation. It seems to me that that as we in government, whether at the Federal level or the State level or the local level go out to preach the good word to the private sector about why they should provide employer assistance and why it is such wonderful good business to assist with child care, we are doing a lot of speaking and not much showing.

I would argue, therefore, that as we talk about incentives to the private sector that the very best way that we can demonstrate incentives to the private sector is provide in government, whether at the Federal, State or the county or municipal level, the model that shows that in fact it works, and I am not only talking about on site child care, I am talking about the kind of cafeteria benefit program and employee assistance program that recognizes child care is also a possibility, along with using existing facilities. In other words, the whole category of operations.

But it does disturb me, it disturbed me in Wisconsin, as a matter of fact, when we fund lots of government agencies that we are eagerly and bushy tailed participating in the program for the private sector. We were frankly exchanging ignorance and good words as much as we were positives examples.

Chairman Miller. We would expect that to change in the 21st month of the economic recovery. The States are now showing a surplus. They can now put some of the money where their mouth is. Maybe the 1983 recommendation can be carried out.

Let me thank you very much for your time, for sticking with us throughout the day. As you know, today and tomorrow we are in an effort to bring to a conclusion these hearings and make recommendations for the Congress at the beginning of the new session, and as both consumers and providers, your recommendations will be very helpful to us.

The committee will adjourn at this point and we will reconvene tomorrow morning at 9 a.m. to continue these hearings and that meeting will be held in room 2255 of the Rayburn House Office Building.

[Whereupon, at 3 p.m., the committee was adjourned, to reconvene Thursday, Sept. 6, 1984, at 9 a.m. in room 2255 of the Rayburn House Office Building.]

IMPROVING CHILD CARE SERVICES: WHAT CAN BE DONE?

THURSDAY, SEPTEMBER 6, 1984

House of Representatives,
Select Committee on Children, Youth, and Families,
Washington, DC.

The committee met, pursuant to call, at 9:10 a.m., in room 2255, Rayburn House Office Building, Hon. George Miller (chairman of the committee) presiding.

Members present: Representatives Miller, Mikulski, Martinez, Marriott, Fish, Wolf, Johnson, Coats, and Levin.

Staff present: Ann Rosewater, deputy staff director; Jill Kagan, research assistant; Judy Weiss, research assistant; Christine Elliott-Groves, minority staff director; Carol Statuto, minority professional staff; and Joan Godley, staff clerk.

Chairman Miller. The Select Committee on Children, Youth, and Families will come to order for the purposes of reconvening our hearings here in Washington, DC, to continue our oversight on the improvement of child care services in the United States and to finalize our hearing process before the committee engages in the writing of a report.

We had a full day of hearings yesterday and it appears that we are going to have a full day of hearings again today, and I want to thank all of the witnesses, both yesterday and today, who have given of their time, their expertise, and their views on this most important subject.

[Opening statement of Chairman George Miller follows:]

Opening Statement of Congressman George Miller, a Representative in Congress From the State of California and Chairman, Select Committee on Children, Youth, and Families, September 6, 1984

Our hearing today, a continuation of the hearing begun yesterday, marks the fifth and final day of hearings this Committee will devote solely to the issue of child care.

It will be, I'm certain, an informative and substantive addition to the bipartisan national child care initiative we have undertaken. Without reiterating my opening remarks of yesterday, let me simply say that most American families today are looking very hard for safe, affordable child care choices. With a little more creativity and commitment from both the public and private sectors, it should be possible to help give them those choices, without sacrificing the kind of care our children receive.

That is our goal, I'm certain today's witnesses will help provide us with the kind of ideas and recommendations that will help give shape to future policies.

Chairman Miller. At this point, I would like to recognize a very valuable member of our select committee, and that is Congresswoman Barbara Mikulski of Maryland.

Ms. **Mikulski.** Thank you very much, Mr. Chairman. We certainly are looking forward to the testimony today.

I think throughout the hearings of what has now been affectionately called the "kids' committee," we have been able to outline the demographic need for a national day care policy, as well as for an innovative mix between public and private sector initiatives.

I know that we will be hearing testimony today from the people who really know about children and understand about children on a day-to-day basis.

I am happy, at the appropriate time, to introduce Lorretta Johnson, who will be testifying. She has been my colleague and my supporter. She is here to talk about the Golden Rule.

Chairman **Miller.** Why don't you come forward; you are going to be our first witness here, and Barbara Hutchinson, if she is here, but I understand Barbara is not here yet.

Ms. **Mikulski.** Mr. Chairman, should I just proceed?

Chairman **Miller.** Sure.

Ms. **Mikulski.** I am happy to introduce Lorretta Johnson, who is the vice president of the American Federation of Teachers, is the president of the Baltimore Teachers Union, is the vice president of the Federation of Maryland Teachers, is the head of the Baltimore Chapter of the A. Philip Randolph Institute, is the secretary of the Metropolitan Council of the Baltimore AFL-CIO, is the mother of three sons who talk like Lorretta and are built like you. [Laughter.]

Ms. Johnson has been a classroom teacher. She has devoted her entire life to children and I think she will bring us very important testimony from people who see what is happening to American children on a day-to-day basis. What many of us know is that the classroom and the teachers are becoming the new mothers and fathers in our community; that there are many children who use dependent care and day care as really their primary home.

Ms. Johnson has many ideas and she is going to tell them to you. If you think that I can be street-savy—when I read Lorretta Johnson's testimony, I knew it was brilliant, dazzling and I know she will embellish it with her unique vocabulary.

Ms. Johnson.

Ms. **Johnson.** I think Ms. Mikulski did me well and just gave up all of my testimony. [Laughter.]

Chairman **Miller.** Welcome to the committee. Your prepared statement we will put in the record in its entirety and you may proceed in the manner in which you are most comfortable. I thank you for your time.

STATEMENT OF LORRETTA JOHNSON, VICE PRESIDENT, AMERICAN FEDERATION OF TEACHERS; CHAIRMAN, AFT WOMEN'S RIGHTS COMMITTEE

Ms. **Johnson.** I would like to say good morning to the committee. Mr. Chairman, and members of the committee, the AFT has over 60,000 members who are vitally concerned with the Federal efforts designed to improve child care services. The AFT has been involved in every national legislative effort to obtain quality child care.

Our members know the importance of child care. They know that millions of youngsters whose parents cannot stay home to care for their children are currently looking for ways to care for their children.

All too often, we see these children at the age of 5 and 6 with educational deficiencies after they have spent formative years either in custodial care or with no child care at all. We know firsthand what the lack of supervision in a caring environment can do for a child. We commend you for your efforts to make this deplorable fact surrounding the lack of child care known. Young children are at risk and we need to do something to help them.

The barriers the AFT sees in blocking the delivery of child care are the lack of resources, the problems of competing interests, the profitmakers and the jurisdictional problems.

The lack of resources is pivotal in understanding the child care problem. Funding for Federal and State programs has been cut back instead of increased to keep up with the growing need for child care and needed services are not being provided because of disputes over who will run the programs.

When private for-profit groups got the idea that money could be made from caring for young children, they went into the field with disastrous results for parents and children.

The AFT would like to reiterate its strong opposition against Federal or State funds for child care being given to private for-profit organizations. With limited resources, the focus of public efforts should be to assume quality care for all children.

The problems with licensing is another matter we would like to cite. Many parents are led to believe that because a center or home is licensed, it is safe. States vary widely in their licensing requirements. We ask that higher standards and stricter controls be added in enforcing the States and cities. Licensing similar to that employed for teachers would be a step toward assuring parents that their children are in good hands. The creation of safe standards for day care and tough enforcement of all regulations at the State level must be a high priority of any future child care legislation.

The issues of vouchers for child care needs to be addressed. Vouchers don't work in the early years any better than they do in the later ones. Quality control is impossible and it would be easy to use vouchers to enroll children in a People's Temple or Manhattan Beach-type facility. Vouchers are not the best way to serve our children. The AFT supports a strong Federal role in the allocation of funds.

Fee-for-service has produced a crazy quilt of child care availability and quality over the last two decades, which some describe as diversity. What we now have in place is a nonsystem of overlapping service in some places and no services in others.

Surely this diversity has produced enough difference in competing arrangements to let us choose what is best for our children. It is plain to us in the AFT that a reliable system for many who rely on institutional care, child care, is an idea whose time has come.

There are two types of children who typically need care: the latchkey child and the younger child. We see the problem of the latchkey child in our work. We feel that the best care for these children would be the extension of the public school day with the appropriate staffing and special programs for these youngsters.

The other need, that of young children, should differentiate between the care of those who are toddlers and might be fitted into a good preschool program and infants.

The case is well made that quality preschool experience, such as an enriched Head Start Program, pays off. We urge that the Head Start example be considered when care is planned for preschoolers.

Another matter we would like to cite for the committee's attention is the effects of the severe cuts in title XX of the Social Security Act. The source of funds for the majority of Federal day-care programs, title XX has been cut 21 percent. Title XX cuts have hurt low-income working families and women in the work force.

Ten States have reduced the number of low-income working families' eligible for the title XX child care. Tens of thousands of low-income working families have suffered through the increased fees for services and minimum fees that have made it more difficult for low-income worker families to afford title XX child care.

We commend your effort here today to bring this issue of the lack of quality child care out in the open. We will join you in working for more resources for young people and in helping develop a strong national voice from the Federal level that assures us that we can make a start in becoming a nation that truly cares about its young.

Thank you.

[Prepared statement of Lorretta Johnson follows:]

PREPARED STATEMENT OF LORRETTA JOHNSON, VICE PRESIDENT OF THE AMERICAN FEDERATION OF TEACHERS AND CHAIRMAN OF THE AFT WOMEN'S RIGHTS COMMITTEE

Mr. Chairman and Members of the Committee. The AFT has 600,000 members who are vitally concerned with federal efforts designed to improve child care services. The AFT has been involved in every national legislative effort to obtain quality child care. We fought for the passage of Headstart, The Comprehensive Child Development Act, for including child care services under Title XX, and for the tax provisions that allow tax relief for child care expenses.

Our members know the importance of child care. They know that millions of youngsters whose parents cannot stay home and care for their children are currently looking for other ways to care for their children while they work.

All too often we see these children at the age of five or six with educational deficiencies after they have spent formative years either in custodial care or with no child care at all. We know firsthand what the lack of supervision and a caring environment can do to a child. We applaud this hearing as a step towards making the public aware of the problems facing parents who face excruciating decisions everyday as they counterpose the demands of making a living with the needs of their children. We commend you for your efforts to make the deplorable facts surrounding the lack of child care known. Young children are at risk and we can do something to help them.

The barriers the AFT sees blocking the delivery of child care are the lack of resources, the problems of competing interests and juriadictional problems.

The lack of resources is pivotal in understanding the child care problem. Funding for federal and state programs has been cut back instead of increased to keep up with the growing need for child care. You know the statistics on the growing numbers of women in the workforce. You also know that more women than ever before are forced to leave infants and toddlers in makeshift care arrangements as they enter the job market. And the major obstacle to expanding child care is best described as "turfwars". That is, in addition, to say needed services are not being provided because of disputes over who will run programs. When private for-profit groups got the idea that money could be made from caring for young children, they went into the field with disastrous results for parents and children.

The AFT would like to reiterate its strong position against federal or state funds for child care being given to private, for-profit organizations. With limited resources, the focus of public efforts should be to assume quality child care for all children. Profit makers will aways need to make money and then consider quality. Staff costs money, so day care workers are given too many children to supervise. Food costs money, so it is cut back. Safety is expensive too, and many in the proprietary child care business ignore that concern. We urge this committee to recognize the grave dangers facing children with the for-profit sector.

The day care chains are not providing an adequate system of enforcable safety standards. Two recent incidents illustrate this fact involving two of the largest franchise operations.

A five-year-old child from Omaha, Nebraska fell out of the Mary Moppet school station wagon into oncoming traffic and was killed. The police investigator found that the driver, who was a vice president of the school, "knew the lock (in the car door) was missing. He said he used a board to lock the door." None of the children in the car were wearing their seatbelts.

A KinderKare accident involved the death of a child at the center when a closet fell on her. That site had 63 violations according to an Alabama official. The center, among other problems, lacked qualified teachers. The school was told to freeze the enrollment at the center and bring in a second administrator.

We do not want the federal or state governments subsidizing these for-profit centers, when it is clear that no effort will be made to make sure that public money is not used for substandard and even dangerous facilities.

Problems with licensing is another matter we would like to cite. Many parents are led to believe that because a center or home is licensed, it is safe. States vary widely in their licensing requirements. We ask that higher standards and stricter controls be added and enforced in the states and cities.

It is clear after the recent child-care tragedies in Manhattan Beach, California, New York City and Dade County, Florida that current licensing standards offer no protection to parents. Licensing similar to that employed for teachers would be a step towards assuring parents that their children are in good hands.

The Dallas Times Herald ran a series of articles on the problems with Texas state day care standards. Texas has more licensed and registered day care facilities than any other state. Texas also has some of the weakest regulations. In the last four years the number of confirmed cases of abuse or neglect in day care has risen from 79 to 382. Two children died recently and one was injured severely in licensed day care facilities. The state's Department of Human Resources does not release statistics on deaths in day care but the Herald's check of complaints filed with DHR during the last three years showed "at least five deaths in home day care in the Dallas-Fort Worth area, four of them occurring in unregistered homes."

The creation of safe standards for day care and tough enforcement of all regualtions at the state level must be a high priority of any future child care legislation.

The issue of vouchers for child care needs to be addressed. Vouchers don't work in the early years any better than they do later on. Quality control is impossible, and it would be easy to use vouchers to enroll children in a People's Temple or Manhattan Beach type facility. Vouchers are not the best way to serve our children. The AFT supports a strong federal role in the allocation of funds. By that we mean standards and accountability for the use of funds. All child care programs intrinsically have an "educational component." Either a positive educational component—which helps prepare the children to do well in school, or a negative component—which does not help a child entering school. We believe that any program supported by federal dollars must have a positive educational component.

Regulations and standards are necessary as part of the accountability that must be built into any child care package. Such standards should be set by either the government or, alternatively, by some appropriate non-governmental agency; but standards that assure quality care and appropriate staff are a must.

Good services are essential. We know that staff training and expertise with children are vital. We also feel that there should be enough staff so that child care can be more than just keeping order, but can also help children develop.

Questions have been raised regarding the need for qualified early childhood teachers in child care programs. We believe such teachers are necessary in some programs and not in others; but we oppose the substitution of a Child Development Associate credential or some similar, inappropriate on-the-job training when early childhood teachers are indicated. We support the same credentialing standards for early childhood education teachers as for elementary and secondary education teachers. Credentialing is the first step toward making sure that people who work in child care are fit to do this sensitive job.

Fee for service has produced a crazy quilt of child care availability and quality over the last two decades which some describe as "diversity." What we now have in place is a non-system of overlapping services in some places—and no services in others. Surely this "diversity" has produced enough different and competing arrangements to let us choose what is best for our children. It is plain to us in the AFT that a reliable system for the many who rely on institutional child care is an idea whose time has come. There are two types of children who typically need care: the latchkey child and the younger child. We see the problems of the latchkey child in our work; we feel that the best care for these children would be an extension of the public school day with appropriate staffing and special programs for these youngsters. A bill to demonstrate how this can be done has already passed the House. The programs for latchkey children should be innovatively designed with the assistance of school board members and classroom teachers who work with these children from 9 to 3. New York state's modest bill recently signed by Governor Cuomo is a step in the right direction and we commend this effort. The New York bill provides $300,000 to nonprofit groups to use as seed money to set up day care programs in school buildings for the hours before and after classes. Groups eligible for this may be day care providers or voluntary agencies if they are licensed and ready to operate. School districts may charge reasonable rents and parents would be asked to pay what they can afford. This money will help provide care for only 1,500 children in New York when many, many more need help, but we cite this effort as a good beginning.

The other need, that of young children, should be differentiated between care of those who are toddlers and might be fitted into a good preschool program and infants.

The case is well made that quality preschool experiences such as an enriched Head Start program pays off. We urge that the Head Start example be considered when care is planned for pre-schoolers.

For infant care, the debate is still underway. Should it be in centers or homes? Can either give the kind of quality, consistent, care we want children to have at the price society can afford?

The AFT also urges the committee to be aware of the problems facing young children in migrant families. It is, of course, more difficult to set up care for these children because of the nature of their parent's work but it is not less important. These are America's hidden children, and their needs may be even greater than those of our non-migrant children.

Another matter we would like to cite for the committee's attention is the effects of the severe cuts in Title XX of the Social Security Act the source of funds for the majority of federal day care programs. Title XX has been cut 21 percent. If Title XX had not been cut in the Omnibus Budget Resolution Reconciliation Act $3.3 billion would have been available instead of the current $2.7 billion. It is important to note that in 1975 $2.9 billion was available for Title XX. The effects of inflation amount to a huge Title XX cut on top of the cut in nominal dollars.

This 21 percent cut has forced other cuts in state child care systems across the country. Thirty-two states provided Title XX care for fewer children in 1983 than in 1981.

Title XX cuts have hurt low-income working families and women in work or training programs. Ten states have reduced the number of low-income working families eligible for Title XX child care. Tens of thousands of low-income working families have suffered through increased fees for services and minimum fees that have made it more difficult to low-income working families to afford Title XX child care.

Forty-two states have made changes that will lower the quality of Title XX child care services. They have reduced funds for training of child care workers, lowered their standards for Title XX programs and have cut back on the number of child care staff. The victims of this neglect will show up in the nations classrooms soon with greater education problems than they otherwise would have had.

The AFT has been on record with strong support for this important child care program. We urge the committee to build on the Title XX program and expand it. Like Head Start, Title XX is a program that needs protection from the Reagan Administration's budget cutters. As general rule, we feel that for any child care program, funding levels must keep pace with inflation and the actual numbers of children who need to be served.

To be fair, we suggest a sliding scale so that the families and single parents who need the most help get the most assistance and those who can afford to pay, do so according to their means. As much as we would like to avoid a means-test program, it does seem likely that in the short run means testing will be necessary. The AFT, however, supports a comprehensive free program for all children regardless of need.

We commend your efforts here today to bring this issue of the lack of quality child care out in the open. It is important that the public know that the current child care tragedies will not pass without action from people concerned with the well being of our children. We will join with you in working for more resources for our young children, and in helping develop a strong, national voice, from the federal level, that assures us that we can make a start in becoming a nation that truly cares about its young.

Chairman MILLER. Thank you.

Ms. Hutchinson, welcome to the committee. You are here in your capacity as vice president of the American Federation of Labor and as vice president of the American Federation of Government Employees. We welcome you to the committee. Your prepared statement will be in the record and you proceed as you are most comfortable.

STATEMENT OF BARBARA B. HUTCHINSON, VICE PRESIDENT, AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS; VICE PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Ms. HUTCHINSON. I want to thank the chairman and the members of the committee for the opportunity to appear here today and I want to discuss our views on one of the most serious social needs of our day: the lack of adequate child care programs.

The AFL-CIO has a long-established policy advocating and fighting for a massive Federal commitment to provide early childhood development and quality child care services in communities throughout the country for children who need them.

We have spoken out on behalf of all children who need services, abused and neglected children who require special care, the nearly 5 million handicapped children, children of teenage mothers, children of single parents locked into welfare because they have no place to leave their children if they go to work, as well as the 22 million children under the age of 13 whose mothers are now working out of the home.

As the need has dramatically increased over the years with the projected number of infants and children who will require care reaching 30 million by 1990, the role of the Federal Government has greatly diminished in addition. The Reagan administration has attempted, with great success, to seek the removal of any Federal role in the area of child care by slashing funding for existing programs and eliminating all Federal standards for quality.

Its goal is to have parents rely on the free marketplace; that is, on proprietary centers and employer-sponsored programs with church and community groups expected to fill the remaining void.

I would first speak directly to the much-heralded contribution of employer-sponsored child care programs. Unions which have a large number of women members have, with limited success, pursued child care at the bargaining table. In those few cases where they have been able to overcome employer resistance in negotiating contract language, the result has often been merely to set up a joint labor/management committee to study the problem.

This is followed in most cases by years of struggle which may or may not culminate in the employer providing information and referral services or holding seminars on child care. In only rare instances does the employer actually participate in providing child care services.

The AFL-CIO strongly supported the enactment of title XX of the Social Security Act as a source of funding for essential supportive services. These programs have provided individuals and families with community-based services allowing them to avoid institutionalization, protected children in need of substitute care due to parental neglect or abuse, and enabled working parents to receive adequate care for their children during working hours.

Since the original funding level of $2.5 billion authorized in 1975, satisfactory delivery of all services, and child care in particular, was seriously eroded by passage of the Omnibus Budget Resolution Act in 1981. Overall funding was reduced by 21 percent. Federal standards for child care services were eliminated as well as the requirement that $200 million of the total title XX funding be earmarked for day care services.

As a result of these actions, States have been forced to eliminate services altogether for many low-wage workers, charge fees from parents who could pay them only by cutting other essential family needs, reduce the number of services in many programs, eliminate training for child care workers and cut back on existing staff.

We recommend that the funding, therefore, for title XX be increased to at least $3.3 billion, as originally intended, with a sufficient amount earmarked for child care services to fill the need for poor and low-wage working parents.

Finally, locating the most appropriate child care arrangement is second only to the prohibitive cost of care in hindering the efforts of parents to see that their children are properly cared for. The patchwork non-system of caregivers, public and private, including in-home family care, school, church and worksite care, make it difficult for parents to either know or evaluate what is available.

Information and referral programs can be enormously helpful in assisting parents to locate a child care program that meets their needs. There are all together too few information and referral systems in place across the country today although the need for them is demonstrably clear. We therefore recommend that a source of Federal funding and technical assistance be established to encourage their development.

As in every facet of human services delivery systems, not just the technical qualifications of the caregiver, but even more important, a quality that can be described only as human warmth are essential elements. Numerous studies have demonstrated that training in early childhood education results in far more positive and stimulating behavior on the part of the caregiver, and yet, in the area of child care, scant attention is paid to the qualifications and characteristics of the day care employee. Especially in the for-profit sector, where the focus is to keep labor costs at their lowest, many centers hire part-time workers, pay barely the minimum wage, and give no fringe benefits. The result is rapid turnover, dissatisfied workers, and poor care of children.

By 1990, over 17 million school-age children will have working mothers and most will have no care whatsoever, either before or after school. Studies and reports are filled with statistics demonstrating that vast numbers of the Nation's children are growing up dangerously unsupervised and uncared for for large portions of the day and evening.

Physical risk of fires and accidents have been well documented, as well as psychological risks of loneliness, fear, and alienation. A number of schools across the country have responded to the severe and growing problem by providing after-school child care programs and with great success.

However, the *number of such programs is miniscule* compared to the need. In many cases, such programs have had to charge fees which are prohibitive for poor and low-income families. We recommend that a source of funding be made available to encourage the provision of after school care at a sliding scale which will ensure the affordability to poor families.

Further, we recommend that there be a more effective way to use the dependent tax care credit now available under the Tax Code. The dependent tax care credit, although worthwhile to families, does not provide low-income families what they need.

We are convinced that a more effective way to assist a low-income family pay for decent child care is through a direct service approach. If, however, the dependent care credit is retained, it must be made refundable in order to be of any help to families that need it most.

Mr. Chairman, the needs of American children have been too long neglected. The Reagan administration has ignored the impact that lack of care is having on the generation now growing up. It has drastically cut the meager programs which were in place and eliminated altogether the few efforts that had been made to assure the safety and enhance the quality of existing care.

This downward slide in essential service for workers and communities must be reversed. The AFL-CIO, therefore, pledges to do everything possible through public programs, community efforts and in collective bargaining to achieve adequate child care, and not just for the children of our own members, but for all Americans.

Thank you.

[Prepared statement of Barbara B. Hutchinson follows:]

Prepared Statement of Barbara B. Hutchinson, Vice President, American Federation of Labor and Congress of Industrial Organizations; Vice President, American Federation of Government Employees

I appreciate the opportunity to appear here today as a vice president of the AFL-CIO to share with you our views on one of the most serious social needs of our day, the lack of adequate child care programs.

The AFL-CIO has a long established policy advocating and fighting for a massive federal commitment to provide early childhood development and quality child care services in communities throughout the country for children who need them. We have spoken out on behalf of all children who need services—abused and neglected children who require special care, the nearly 5 million handicapped children, children of teen-age mothers, children of single parents locked into welfare because they have no place to leave their children if they go to work—as well the 22 million children under the age of 13 whose mothers are now working out of the home.

As the need has dramatically increased over the years—with the projected number of infants and children who will require care reaching 30 million by 1990—the role of the federal government has drastically diminished. The Reagan Administration has attempted, with great success, to seek the removal of any federal role in the area of child care by slashing funding for existing programs and eliminating all federal standards for quality. It's goal is to have parents rely on the free-market place—that is, on proprietary centers and employer-sponsored programs—with church and community groups expected to fill the remaining gaping void.

I would first speak directly to the much heralded contribution of employer-sponsored child care programs. Unions which have large numbers of women members have, with very limited success, pursued child care at the bargaining table. In those few cases where they have been able to overcome employer resistance in negotiating contract language, the result has most often been merely to set up a joint labor-management committee to study the problem. This is followed in most cases by years of struggle which may or may not culminate in the employer providing information and referral services or holding seminars on child care. In only rare instances does the employer actually participate in providing child care services.

In spite of minimal success, we will continue to urge our affiliates to seek assistance through the collective bargaining process. Working women will continue to search for the limited church and other non-profit centers. But we know that realistically, many will have to settle for proprietary centers regardless of their cost and the risk of poor quality care. However, as has been well demonstrated before this Committee, these options are unsatisfactory in filling the need. We urge therefore that you consider the following recommendations.

INCREASE THE FUNDING FOR TITLE XX SOCIAL SERVICE AND EARMARK A PORTION OF FUNDS FOR CHILD CARE SERVICE

The AFL-CIO strongly supported the enactment of Title XX of the Social Security Act as a source of funding for essential supportive services. These programs have provided individuals and families with community based services allowing them to avoid institutionalization; protected children in need of substitute care due to parental neglect or abuse; and enabled working parents to receive adequate care for their children during working hours.

Since the original funding level of $2.5 billion authorized in 1975, satisfactory delivery of all services—and child care in particular—was seriously eroded by passage of the Ommibus Budget Resolution Act in 1981. Overall funding was reduced by 21%; federal standards for child care services were eliminated as well as the requirement that $200 million of the total Title XX funding be earmarked for day care services.

As a result of these actions, states have been forced to eliminate services altogether for many low-wage workers, charge fees from parents who could pay them only by cutting other essential family spending, reduce the number of services in many programs, eliminate training for child care workers and cut back on existing staff.

We recommend that the funding, therefore, for Title XX be increased to at least $3.3 billion, as originally intended, with a sufficient amount earmarked for child care services to fill the need for poor and low-wage working parents.

ESTABLISH A FEDERAL COMMISSION ON CHILD CARE STANDARDS

Just as the quality of care provided under Title XX was seriously eroded when federal standards were suspended, child care programs of all kinds have also suffered as licensing procedures and regulatory requirements have weakened and staff have been cut.

State licensing standards vary widely in health and safety requirements, child staff ratios, curriculum requirements and care-giver qualifications. There is also a wide variation in local building, zoning and land use codes which effect operation and development of both center and family based care. In many instances the standards are inappropriate or do not exist at all for school age, part-time and night-time care.

We recommend, therefore, that a federal commission be established to review and evaluate the various existing standards and provide local communities with both technical and financial assistance in order to improve and support enforcement of their guidelines.

ESTABLISH A SOURCE OF FEDERAL FUNDING TO ENCOURAGE DEVELOPMENT OF CHILD CARE INFORMATION AND REFERRAL PROGRAMS

Locating the most appropriate child care arrangement is second only to the prohibitive cost of care in hindering the efforts of parents to see that their children are properly cared for. The patchwork non-system of care givers, public and private, including in-home family care, school, church, and work-site care makes it difficult for parents to either know or evaluate what is available.

Information and referral programs can be enormously helpful in assisting parents locate a child care program that meets their needs. They serve to strengthen the quality of the system by teaching parents what to look for. Better educated consumers create pressure on providers to provide quality care.

Such programs can also provide technical assistance to providers, helping them comply with local health and safety standards and advising them on child development program content.

There are altogether too few information and referral systems in place across the country today although the need for them is demonstratively clear. We therefore recommend that a source of federal funding and technical assistance be established to encourage their development.

ESTABLISHING A FEDERAL SOURCE OF FUNDING FOR TRAINING AND PROVIDING TECHNICAL ASSISTANCE FOR CHILD CARE WORKERS

As in every facet of the human services delivery system, not just the technical qualifications of the care-giver but, even more important, a quality that can be described only as human warmth are essential elements. Numerous studies have demonstrated that training in early childhood education results in far more positive and stimulating behavior on the part of the care giver. And yet in the area of child care, scant attention is paid to the qualifications and characteristics of the day care employee. Especially in the for-profit sector where the focus is to keep labor costs at their lowest, many centers hire part-time workers, pay barely the minimum wage and give no fringe benefits. The result is rapid turnover, dissatisfied workers and poorer care of children.

Funds to improve the skills of child care workers under Title XX were totally eliminated by the Omnibus Budget Resolution Act in 1981. We strongly urge federal direction and funding to assure that care givers are properly trained to perform their job.

PROVIDE FUNDS TO ESTABLISH SCHOOL-AGE CHILD CARE PROGRAMS

By 1990 over 17 million school-age children will have working mothers and most will have no care whatsoever either before or after school. Studies and reports are filled with statistics demonstrating that vast numbers of the nation's children are growing up dangerously unsupervised and uncared for for large portions of the day and evening. Physical risks of fire and accidents have been well documented as well as psychological risks of loneliness, fear and alienation.

A number of schools across the country have responded to the severe and growing problem by providing after school child care programs and with great success. However the number of such programs is miniscule compared to the need. In many cases such programs have had to charge fees which are prohibitive for poor and low-income families.

We recommend that a source of funding be made available to encourage the provisions of after-school care at a sliding scale which will insure the affordability to poor families.

MAKE THE DEPENDENT CARE TAX CREDIT REFUNDABLE

The dependent care tax credit must be examined along with the entire tax code to determine its fairness and usefulness. The credit currently provides $2 billion in support for all families regardless of income which is an important means of support for many families. It does very little, however, to improve the purchasing power of low-income families and provides only limited support to middle-income families.

We are convinced that a more effective way to assist low-income families pay for decent child care is through a direct service approach. If, however, the dependent care credit is retained, it must be made refundable in order to be of any help to families that need it most.

CONCLUSION

Mr. Chairman, the needs of American children have been too long neglected. The Reagan Administration has ignored the impact that lack of care is having on the generation now growing up. It has drastically cut the meager programs which were in place and eliminated altogether the few efforts that had been made to assure the safety and enhance the quality of existing care. This downward slide in an essential service for workers and communities must be reversed. The AFL-CIO therefore pledges to do everything possible through public programs, community efforts and in collective bargaining to achieve adequate child care not just for the children of our own members but for all Americans.

Chairman MILLER. Thank you very much for your testimony.

I am going to recognize Congresswoman Mikulski to start the questions. Barbara.

Ms. MIKULSKI. Ms. Johnson, you were critical in your testimony of the concept of vouchers for day care, and yet many employees in labor management situations are talking about providing a voucher system for their employees as a way of obtaining day care. Would you like to further elaborate on your concerns about the voucher system, because many feel that that would be a very enlightened way for example, for management to provide a new employee benefit.

Ms. JOHNSON. Our concern about voucher systems is because a number of schools, as I said—different kinds of schools that are not being up to standard have cropped up vouchers are a type of system where everybody knows that they can get a number of kids together and the parents can get x number of dollars, that they start a school—as we say, a "temple," different kinds of schools come up based on religious——

Ms. MIKULSKI. You mean the Jones People's Temple that ended up——

Ms. JOHNSON. Exactly.

Ms. MIKULSKI [continuing]. Going to Guyana?

Ms. JOHNSON. Yes.

Ms. MIKULSKI. Jim Jones.

Ms. JOHNSON. Jim Jones, and those schools have cropped up—I remember when my kids were little, there was a school that cropped up then teaching black kids the African language. At that point, I felt that my kids had to live in America and they should be learning English. So, therefore, I felt that school was not qualified in that area.

Different schools that have been created through the voucher system, we have a great concern about that. These schools also attack public education because vouchers take away the funds that are for public education.

Ms. MIKULSKI. So one of your concerns about the voucher is the lack of good consistent standards throughout the country.

Ms. Hutchinson, in your testimony, you raised the need for a Federal commission on day care standards. I think all of us have been deeply concerned about what we now find as child abuse going on in the very facilities we thought would provide child safety. Would you like to elaborate on what you feel this Federal commission should do, because many feel that regulatory things along these lines, licensing, accreditation, regulation, should be left strictly to States and local communities.

Would you like to comment on that, on your commission idea?

Ms. HUTCHINSON. Yes. I think that the fact that we need a Federal commission is very evident. We are dealing with America's future. We are not talking about whether or not—a States rights issue. This is America's future. These are our children and the standards that we have should be uniform.

The majority of our population is now two-parent working families. More children are going to be in day care and I think if we are going to protect our children, make sure that they are treated in a proper manner so they grow up to be contributors to this country, that we do need to have some uniform standards as to what a day care center may have.

A day care center in, say, the rural South, or West Virginia, rural West Virginia, may have different standards, and what they feel is adequate child care may not be adequate child care, and it is no reflection on the State or the State's population. It is just a matter of this country protecting its youth and its future and I think it is very, very important that we establish a commission that will set up what are the minimum standards that a child needs to have adequate care outside the home.

Ms. MIKULSKI. So yours would be minimum standards to protect the health and safety of the children, both in terms of the nature of the facility as well as, for example, screening of day care staff?

Ms. HUTCHINSON. Yes, I think it should include the staff. I think it should include the educational program that they have there. Day care is a whole multifaceted educational system. It is not just—you set up the center and you leave your child. Parents want a little bit more and I think they are entitled to an educational program, staff that are adequately trained, that the center itself is a safe center and there are many centers that are even in the District of Columbia area that are not safe centers. This is an allegedly sophisticated area in the District of Columbia, but there are centers in this Washington metropolitan area which are not safe for children.

Ms. MIKULSKI. I have one last question. You both are teachers and represent teachers. One of the concerns I have is for afterschool and nonschool hours, summertime, holidays, and so on. What happens to those children that you teach during the day when school is not in session, and do you have any recommendations in that area?

Ms. JOHNSON. Barbara, the Baltimore Teachers Union recognized that need, and as you can see in my testimony, we have what we call tutorial camps.

Ms. MIKULSKI. Camps?

Ms. JOHNSON. Yes. In Baltimore, we have four schools. We expanded from two schools to four schools and the union pays for this. We pay for the teachers to work in the tutorial and the city picks up some students who work in it.

This year, we had over 200 kids in our tutorial camp in Baltimore. These are the kinds of things that we think should be worked on. We did not have funding, but this was part of the union's program to reach out to the community; to work with the community; and to extend beyond the school year some services that were needed. In Baltimore, we are trying to do something about that problem.

Ms. HUTCHINSON. I think that in terms of what is happening today to the children who are not able to have after school care or do not have it and during the summer, that there are no setups in the community to adequately supervise or care for these children. Most day care centers today do not take children past the age of, I would guess, 10 or 12, so there are no programs for them in our communities.

The summer school programs are programs to supplement your education if you did not do well the year before, but today, if you ask me what is there in the community other than maybe a community-based group of citizens, there are no programs out there to provide for those children who no longer are of the age to be in day care or whose parents do not have them in some kind of camp, say a full-time camp, where you would pay to send your child to.

Now, most parents, working parents, cannot afford some of these camps and so the children have—there is nothing in our communities today.

Ms. Mikulski. Thank you, Mr. Chairman.

Chairman Miller. Thank you.

Congressman Fish.

Mr. Fish. Thank you, Mr. Chairman.

Ms. Hutchinson, continuing on this issue of after school care because I personally believe and have said many times that I think the greatest resource we have the school building that is standing right there with rooms and classrooms that the youngsters are used to, with the teachers they are used to, and saving transportation unless you had several elementary schools that focus in on one of them for afterschool hours.

What are the barriers that you see that are holding back greater utilization of—particularly for kids in the early grades—from being kept in the schools until their parents can pick them up at 5:30, 6?

Ms. Hutchinson. Basically, it is funding. The funding has been cut. The schools now, and in many communities, the—what is it, the balanced budget amendments that provide for no raising of school taxes—so that TRIM amendments, these types of things—it is funding. The schools do not have the funds to provide that extra program. Furthermore, it is not on the agenda of the local, State, municipal, county school boards so that——

Mr. Fish. What do you mean by that? Are you saying——

Ms. Hutchinson. In terms of it not being on the agenda to provide an afterschool care program?

Mr. Fish. Right.

Ms. Hutchinson. There is no set program that a State board of education or a county board of education, that I can think of, which provides specifically, other than the normal recreational activities such as bands, sports, extracurricular things, but no actually planned program in terms of after school care which meets——

Mr. Fish. How does that become a Federal problem? I have had this experience myself where school boards actually voted against a proposal like this, and yet it does seem to me the most economical. Part of my district is working very well under a contractual arrangement with a nonprofit group that comes in so we are not utilizing the teachers in the school, but just utilizing the room, the classroom that the kindergarten, first-grader, second-grader had been in all day.

So there is a cost factor there, but it is not on the school district. The building is open anyway. Teachers next door are cleaning up and the gymnasium across the hall is being used. Is it a question that should be explored on the local level? Does the school board have the authority to stop this kind of development? Are the States reluctant?

Ms. Hutchinson. I think that it belongs at the Federal level here because many of the school boards are now suffering from a lack of funds. So they are only going to consider those things that are, you know, what they consider essential parts of the educational project, and the fact that their funds have been cut, that they don't have time and are not looking at all of these extra projects, and if we continue to ignore it from this level, then we will be 10 years down the road before it filters around to all the State, county and school board systems.

I think that if some attention isn't given to it at this level, that we are bargaining away the future of our youth, those children who are not in after school care or need after school care, and we can say we can leave it down to the State level, yes, but I think we are bargaining away our future and I think that is just as——

Mr. Fish. You think that the fundamental barrier there is money and if the money were available for States and local school districts to contract out with day care personnel units to come in to take over after school hours, why, that would be—the whole movement would flourish. Is that what you are saying?

Ms. Hutchinson. I am not saying that they necessarily have to contract it out, but I think if they had some funds to start setting that kind of thing up, that it would be some encouragement to them to put some time into that kind of program.

Mr. Fish. On the question of dependent care tax credit, I have the same concerns you do, that as structured, you are not going to reach the mass of people that we are trying to help here. "Reading from your testimony, We are convinced a more effective way to assist low-income families pay for decent child care is through a direct service approach"—that is in lieu of the dependent care tax credit.

Could you elaborate on that phrase, "direct service" approach?

Ms. Hutchinson. I think what we are talking about is that people could either—if we are going to have centers where people can come through and qualify for a certain level of—you know, benefit through that center and that way, the center is pretty much an elaboration on some of the subsidization we have now of centers where the parent gets a rebate directly right there at that center, once having qualified with a certain income level. For low-income families, it does them no good to wait until the end of the year to get a tax care credit if they didn't have the money all year long.

Mr. Fish. Sure.

Ms. Hutchinson. So I think we are talking about a further expansion of that subsidy-type program that we now have.

Mr. Fish. Ms. Johnson, I was just interested in your response to Ms. Mikulski on the question of vouchers because the nature of the examples you gave, the temples, the facilities, it is my understanding that vouchers would only be spendable at licensed facilities. Were those facilities that you discussed licensed?

Ms. Johnson. The licensing in different States—there are different qualifications, different standards for getting a license.

Mr. Fish. The Jones Temple was licensed?

Ms. Johnson. I don't know about the Jones Temple, but I use one of those as an example, but they were getting money——

Mr. Fish. It was licensed in Guyana, yes, as the chairman says.

Chairman Miller. A different Jones.

Mr. **Fish**. Yes, a different Jones. Right, thank you.

Chairman **Miller**. Mr. Coats.

Excuse me, Mr. Martinez, do you have any questions?

Mr. **Martinez**. No.

Chairman **Miller**. Mr. Coats.

Mr. **Coats**. I am sorry I missed your testimony, but I did have a chance to read over it and I wonder if I could just ask three questions and have you each respond. Ultimately, given the reality of today, somebody has to talk about costs.

Both of your organizations, AFL-CIO and the American Federation of Teachers, have outlined for us here a very ambitious child care program and called for considerable additional Federal funds in a number of different areas.

Have either of your organizations estimated the cost and can you give us a rough idea of what you are asking from the Federal Government in terms of an annual cost?

Ms. **Johnson**. We have done some things in the past and we will provide it in writing.

Mr. **Coats**. I would appreciate that. Thank you.

[The information follows:]

AMERICAN FEDERATION OF TEACHERS AFL-CIO
555 NEW JERSEY AVENUE, NW
WASHINGTON, DC 20001
202/879-4400

ALBERT SHANKER
President

January 11, 1985

RESPONSE TO THE QUESTION OF REPRESENTATIVE COATS

Hon. Dan Coats
1417 Longworth House
Office Building
Washington, D.C. 20515

Dear Representative Coats:

In response to the question about how much an AFT-supported child care program would cost, we suggest a simple benchmark for the committee's use.

Head Start has been a very successful program for children, and we know that there are at least six national studies that establish this fact. What we think is needed is a program along the lines of Head Start that is designed to reach all children in need. Head Start is funded at about $1 billion and we believe that to reach additional children who need care, another $1 billion is necessary.

Quality child care is both essential and expensive and it is true that a program that serves all who need care would ultimately cost more than the additional $1 billion we are advocating.

Sincerely,
Gregory G. Humphrey
- For -
Lorretta Johnson
Vice President

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Ms. HUTCHINSON. We, as indicated in our testimony, would recommend that the child care program and education program be put back to its original $3.3 billion which was originally intended. Our rationale for that, and our support for that, is that I think that you cannot afford not to invest in the future, and I think this country in the past 4 years has taken the position that they don't care about America's future. To us, there is nothing more important in this country than public education. It has been one of the reasons this country has been successful in becoming the major world power that it is, public education.

If we take the view that that kind of thing is not important, then maybe we will diminish in power in addition, and as our children grow up and they are not properly cared for, and our society cannot maintain a certain standard because we haven't made that kind of investment. So to us, it is not a question of cost versus noncost; it is cost versus survival, and I think that is the issue. We either invest in education or we lower some of the standards we have established for this country. I think that is what is important and critical on this issue.

Mr. COATS. So you are recommending, then, Ms. Hutchinson, that we go back to the $3.3 billion which was the level in what year?

Ms. HUTCHINSON. That was 1980.

Mr. COATS. 1980. Mr. Chairman, I would ask unanimous consent that the record be left open so that the other figures can be provided if you have them.

Chairman MILLER. Without objection.

Mr. COATS. Second, both of you express some question or some doubt about the provision of day care services for infants, perhaps those in the age range of zero to 2 years. Could you elaborate on that a little bit? Have you looked at day care for that area? Why do you have questions and what do you think some of the solutions are?

Ms. JOHNSON. Mr. Coats, it is ironic that you ask me that question. I have a 3-year-old grandbaby. My son and his wife work. My grandbaby was ready for some type of pre-school at 2 and we could not find a good pre-school for a 2-year-old who was pot-trained and all of that, could articulate in sentences and we just—the services were not there.

We could afford to pay. Now, for a person who could afford to pay and they couldn't find one; for those that can't, mothers who have babies and want to return to work and can't find a good preschool for ages 1, 2, and 3, you have to stay out of the work force for at least 3 to 4 years before you can return if you are a conscientious mother trying to get back. Those of us who are forced by need to go back, whether or not we can afford to wait—in other words, put our child with anybody because the need is there to eat and to sleep every night——

Mr. COATS. What about in the years—you said your grandchild was ready at 2. What about the first 24 months?

Ms. JOHNSON. At 1, she could have gone back, but——

Mr. COATS. What about the first 12 months.

Ms. JOHNSON. No.

Ms. HUTCHINSON. There are no centers——

Ms. Johnson. There are no centers that will take you.

Mr. Coats. My question is not whether there are centers that will take you, because centers are now open for infants and we discussed that problem in detail yesterday.

My question is, does your organization have a position over the benefits versus the disadvantages of placing a young infant in a child care facility, and if you have any questions, what are they? What are your doubts about doing that?

Ms. Hutchinson. Let me say this. I have two sons; they are now 8 and 6. They have been in day care since they were 4 months old. I would prefer, much prefer, to have my children in day care at that age than to have what I have seen occur in this metropolitan area, where small children and infants are in homes with individuals whom no one knows what their qualifications are. Mothers in the Washington metropolitan area, in the State of Pennsylvania and many others, are forced to place their children, not saying that the individuals are not qualified, but the environment is not licensed; it is in a home; you do not know what the quality and standards of care are, and I believe that if we are going to have infant care, and mothers need it, then it ought to be in a day care and child care environment.

I would not, in good conscience today, have placed my child in anyone's home. I prefer a child care center.

Mr. Coats. But the statistics show that the overwhelming majority of mothers do place their children in homes——

Ms. Hutchinson. That is because that is what the requirements are today. There are no—the standards do not permit child care centers to take infants under 2. That is the standard.

Mr. Coats. So you are saying that if the existing child care centers were allowed to take children under 2, mothers would prefer to put their children in an institutional child care center rather than in the home of a relative, neighbor, friend——

Ms. Hutchinson. I lived in the State of Georgia and mothers were permitted—child care centers were permitted to take infants and mothers placed their children in those child care centers, not in individual homes.

Mr. Coats. What you are saying is contrary to the evidence that we heard yesterday where most of the studies and research and surveys and so forth showed that mothers preferred to leave their children, especially when they were young, first with a relative, a grandmother, a sister, aunt, or uncle. The second preference was with a neighbor or someone that they knew well.

I would assume that part of that decision was based on the fact that those mothers were able to evaluate the quality of care. They didn't need a Federal agency to tell them whether their mother's home, their grandmother's home met the standards.

Ms. Hutchinson. I take issue with that.

Mr. Coats. They knew the child would receive an extra dose of care because it was a grandchild. I would assume that if the child——

Ms. Hutchinson. I take issue——

Mr. Coats. Let me finish my statement if I could and I would like to address it here. Then I will be happy to give you a chance to respond.

I would assume that your daughter would feel a little bit more comfortable if she placed and if you were able, her 3-month-old with you, rather than in a child care center.

Ms. JOHNSON. Mr. Coats, exactly what you said, if she was able. The problem is, she is not able. She has a working grandmother and a working mother.

Mr. COATS. But the issue here that we are talking about apparently is that you think even if mothers are able, children are much better off in an institutional center than a relative, friend, or neighbor.

Ms. HUTCHINSON. I take issue with the study because the study is studying an environment where the standard that exists in the majority of States is 2 years old, so how can you make a study based on the standard being 2 years old, that people are able to put their child in child care? How can you make a conclusion as to what mothers prefer?

I would suggest that they go to the States where mothers are able to put their infants in child care centers and then maybe I might come up with some conclusion. The majority of States in the United States now have a minimum of 2 years old before you can enter a day care center. That is the regulation, and that is what the standard is. So I don't know what the——

Mr. COATS. Some of it just seems to be common——

Ms. JOHNSON. Mr. Coats, could I——

Mr. COATS. Yes, go ahead.

Ms. JOHNSON. I would like to respond. I think the issue isn't—you know, we are here today because this is a national problem and there are people out there who would probably opt, if they had a parent or grandparent, to leave their kids with a close relative, rather than an institution, but there are too many who don't have that option and I think that is the key to what we are talking about today.

There are too many who don't have that option who need an institution and I think that anything should have optional areas. You know, if we came up with a standard that child care could take in less than 2 years, it would still leave open or optional for that person that has available the relative, the grandmother, the sister, the aunt, the uncle, to put their kids into that area, but the people who don't have that option—and that is what we are talking about—so many of those kinds of people don't have that option and we don't have any place for them to go at this point.

Mr. COATS. Well, I accept that——

Ms. JOHNSON. And I think that is what we are trying to point out to you.

Mr. COATS [continuing]. Statement, but that is at odds with the statement that Ms. Hutchinson made because I think the question here is licensing. The question is whether or not we are going to get into the business of denying the option of a mother to leave her children with relatives, friends, or grandparents I think they have a much better opportunity to guage the kind of care a child is going to receive in this situation than dropping them off at a child care center that may be licensed. We have seen recently, that a lot of licensed places haven't been delivering the kind of care that we want for our children.

I don't want us to get into the situation where my mother has to be licensed if she is going to take care of my kids. I think I have a better way of evaluating the kind of care they are going to get there than I would with some Federal agency saying "Here is the certification. X, Y, Z Center down here can take care of your 3-month-old." I think mothers can make that evaluation. I don't want to preclude that option and I would agree that we do need to look at options.

I am way over time and I will yield back.

Chairman **Miller**. Yield back all your remaining time.

Congressman Marriott.

Mr. **Marriott**. Thank you, Mr. Chairman.

I apologize for being late and I have enjoyed very much your testimony. It is clear that you are very concerned, deeply concerned about the needs of children. I guess whether we are conservatives or liberals or whatever, we all have to face the fact that we do have a serious problem with child care in this country and we need to come up with a solution.

Let me just ask a couple of questions. As I look the situation over, we have been holding these hearings now for some time and studying the problem. Private day care centers simply, as I see it, cannot make money catering to the low-income, so if—if I am a private day care provider, I have to charge a fee to make any money beyond what the lower income people or people coming—untrained women coming off AFDC, et cetera, can afford to pay.

It seems to me we have to do one of two things—three things, and I would like to have you comment on them. I did miss your testimony; maybe you covered this. Maybe we have to go to a situation where the public school systems start at age 1, rather than age 6. Is that an option anybody is playing with?

No. 2, if we go the private school system, it seems to me there has to be some form of heavy government subsidy in order to make that work. Otherwise, they are going to cater strictly to high-income families.

Third, what about the concept of a partnership where the schools are indeed used—the State puts up the school building, private vendors then come in and provide day care services. The State of New York testified yesterday that they—the State puts up the capital equipment and puts up the buildings and for employees of the State—children of employees of the State, and they are running the day care centers in the black. Were they not to put up those capital facilities, they would be operating in the red.

Is there some problem with school building and private vendors getting together on a partnership basis to solve this problem? It looks to me like we either have to have the public schools down to age one or a subsidy to private schools directly for low-income at a higher amount or a true partnership arrangement.

Which of those approaches if any, appeals to you, and what is the bottom-line solution? We can keep talking about throwing more Federal money in. I am not sure in the real world, at least under the philosophy of the Reagan administration, that we are going to get anywhere with that approach, so can we come up with a program that will really work?

Ms. **Johnson**. I think the system took a giant step in the late sixties and the early seventies when we had Head Start Programs as part of the school system. They were shown to be very successful. We did take in ages 2 through kindergarten and we followed them through in the Head Start Program straight through from the kindergarten on to the fourth grade. Of course, when the funds started drying up, there were problems. I think all of the reports on these programs were excellent and that the kids that were going through there and the parents were satisfied. As the funding shifted away from schools, the Head Start Program was gone and then the nonprofit organizations or the day care centers with lower standards began to crop up all over again.

I think the system itself already has a program. The Head Start Program that was part of the school system and the school system was held liable for what those kids learned and what was the progress and so forth grew and it even made a difference to low income parents because there was a part of that program that said that *x* number of kids had to be low income.

I think that we have to return to that. I think the public schools do have to have involvement in this area and I think that the Head Start programs, bringing the kids in, was our best giant step forward. We just moved back from that position. Now we are here investigating all over again.

Mr. **Marriott**. Do you have a comment?

Mr. **Fish**. Oh, no, after you finish.

Mr. **Marriott**. I just wanted to follow up on that. Head Start requires a great deal of parent involvement, does it not?

Ms. **Johnson**. Yes, it did.

Mr. **Marriott**. Just going back to Head Start doesn't seem to me to be solving the problem. We are going to be facing a problem in America where 70 percent of all the women are going to be working by 1996, you know. I think the problem has become far more serious than just returning to Head Start.

Ms. **Johnson**. The involvement of the parent was mostly after work and followthrough programs that were sent home; literature that was sent home. That is the same if you were—if a parent who is working was involved in a day care center. So I don't understand what you mean that it had parent involvement and we are going to look at women working in 1996.

I mean, what effects do you feel that that would have on Head Start and why do you feel that parents couldn't be involved?

Mr. **Marriott**. Well, does the Head Start Program solve the problem of day care?

Ms. **Johnson**. It doesn't solve all the problems. You said talk about some solutions and I am saying there was a program out there that was successful and the only reason why it began to fail is when the funding was shifted away from the schools. We are just pointing to one successful program that was nationwide.

Mr. **Marriott**. Who qualified for Head Start?

Ms. **Johnson**. Any parent qualified for Head Start. It didn't have any qualifications, at least, in my school, it didn't. We had parents from the affluent neighborhoods and we had parents from poor neighborhoods. We had parents from all over.

Mr. **Marriott**. OK. Did you have a comment?

Ms. HUTCHINSON. Yes, I would say that you don't have to choose one particular uniform option. I think child care in this Nation, as I said before, is a matter which demands national attention, needs national attention. As you pointed out, there are going to be—70 percent of the families in America will be two-parent working families with possibly children under 8, 10, or 11. One particular approach is not going to solve the problem.

I think we pointed out in our testimony, Ms. Johnson and myself, several areas that we feel need attention. The dependent tax care credit, a possible information referral system, and it is the idea of this Nation helping support the citizens of this Nation to accomplish the things and meet the needs of their family.

So that whether we do a total funding with the school system, but the fact is, we do have to put some of these programs out there. Congressman Fish was saying that in New York, they have started the after school or some sort of public school, you know, partnership, and maybe that will work, but it may not work in every community. So I think there are going to have to be some options for the Nation to deal with.

Possibly the information and referral system may be the best one in some area, and the after school program, I think, is an essential part of any child care program that this Nation looks at. I think that Head Start, as she said, was a successful program and because of lack of funding, it is no longer there, but it provided the impetus to bringing our children into school, all children into school, and then all children are beginning at the same educational level and keeping quality education in the schools.

So I don't think we can rule out one option for another. I think there are many.

Mr. MARRIOTT. We need to have an abundance of services available, it seems to me. There needs to be incentive for people to be in the day care provider business for quality services.

The second thing is how to subsidize those who can't afford to pay the price and I am not sure you have answered my question about the best way to go about that, but should that be a Federal responsibility, a State responsibility, a shared partnership responsibility?

Ms. JOHNSON. It is a national problem so I think that it should be a Federal and State-shared responsibility. It is a national problem across the country; it is not just in one State.

Mr. MARRIOTT. Finally, in reading over the summary of your testimony, you didn't seem to be too excited about the private sector being involved and going to do much in the long run. What is your bottom-line opinion of the role of the private sector?

Ms. HUTCHINSON. The role of the private sector in our experience, and we do represent the Government workers, the Federal Government workers, and we have fought tooth and nail, tooth and nail, to get child care centers in Federal agencies or to negotiate them in our collective bargaining agreement. We had to even take it to impasse in order to get a determination that the Federal Government agencies would negotiate child care, just negotiate the fact of the matter of child care, and so if it is going to be—and the experience has not been that much better in the private sector or in State and municipal sector—and so if it is going to be the private sector that is the impetus in this program, I think you are going to find that the problem is not going to be solved.

I don't think we would all be sitting here today saying that it was a national problem if the private sector was providing the initiative in child care that one would say might be their role. So that is where I fall on that.

Ms. JOHNSON. We kind of fall the same way except that we would just like to point out to you that we have problems with the private sector mainly because they have no standards, set no qualifications and no control. We in education have to have standards; have to have control, and we feel that the private sector has failed in that area.

Mr. MARRIOTT. Thank you very much.

Thank you, Mr. Chairman.

Chairman MILLER. Congressman Fish.

Mr. FISH. Yes, Mr. Chairman, I thank you for this second go-around.

Ms. Johnson, Ms. Hutchinson, I have asked to come back on this because since I talked to you, I gathered in response to somebody else's question that you both look favorably on home health—home child care with the close relative if that option is available. Somewhere in the reams of statistics that we have heard for the last year, it seems to me that institutional child care really only covered about 15 or 20 percent of the population, that most people who need their child looked after, do go to a relative or neighbor who takes in two or three kids in some unstructured environment.

Now, is there an age that we are talking about here for whom staying in the apartment or house of a near relative or neighbor is a good thing? Is there a cutoff age when it is no longer very constructive?

Ms. JOHNSON. If you ask me as an educator, schools are not equipped to deal with a 4-month-old, 3-month-old——

Mr. FISH. No, no.

Ms. JOHNSON [continuing]. So that there would be an age cutoff. As an educator, 2 years to 3—at least from 1 to 2, in that area.

Mr. FISH. One up to age 2, maybe 3, in the environment of the immediate family or near neighbor because the child doesn't need much more stimulus, educational stimulus, but beyond that, you would like to see the child in a quality day care environment?

Ms. JOHNSON. Yes.

Ms. HUTCHINSON. I have a comment. I think that everybody should have the option of placing a child with a close relative. My personal preference, my personal opinion is that children always need stimulus. I may be a picky mother, and I am a mother of two boys, and I spent a lot of time stimulating my children, and I found that age 1, that stimulation was necessary, that I found—and the experience I have seen repeated on behalf of other mothers who have their children in neighbor's homes is that the children go to the neighbor's home and they watch TV.

Mr. FISH. Sure.

Ms. HUTCHINSON. I do not prefer for my children to watch TV. I do not want my child watching TV when they are 1 year old and that is all they do. I want them to be in a learning system and children at age 1 do learn and there are many things they need to learn. Even though, as I say, it is everyone's option, I myself did not have the option of placing my child with a close relative because my parents and their fraternal parents were deceased. So that for us who do not have that option, from my own personal experience, no, I would not wish to have my child in a neighbor's home watching TV.

That may be someone else's preference, but I don't think it is a good preference.

Chairman MILLER. If the gentleman would yield, I think yesterday one of the panels was from the Black Child Development Association. There was a study done of minority parents who had their children placed in family day care, relatives, what have you, but the very strong preference was for center-based programs because of the educational component and I would assume there that we are talking again about a child in excess of 1 or 2 years of age. The preference ran in that direction because of the stimulus that you talk about.

I assume in many instances the preference is also because of the kinds of hearings that we heard at the Connecticut of young women with very young children who were leaving them in—it would be polite to say "family day care," but they were leaving them in a private home simply out of economic necessity, without any choice about the kind of care that child was getting. Basically, the rain was being kept off the child and that was about it.

So that is the problem, the quality and availability of family day care. I mean, there is no question that family day care meets a vast part of this need that we have been discussing, but it is a question of the quality of that care.

Mr. FISH. Mr. Chairman, that is really why I came back to this because of two things. One, my comment that these two witnesses, who I didn't want to lose before exploring this, talked favorably about family day care; and second, in my constituency, we have had a tremendously successful experience with Head Start. We have now got enough years of it to be able to show the results in high school and after high school of Head Start and non-Head Start low-income families. So we know that quality day care can really go a long way and may some day replace affirmative action. Maybe we won't need affirmative action if we start off equal, right?

So another thing is, to be brutally frank, it seems to me that in some cases, the disadvantaged child's relative will simply not have the capacity to challenge the child or even to intellectually stimulate the child. Are we leaving the child with somebody who herself, perhaps, is not educated?

Ms. JOHNSON. Could be.

Ms. HUTCHINSON. Could be.

Mr. COATS. Would the gentleman yield on that point?

Mr. FISH. Sure.

Mr. COATS. I think the point that I was trying to get at—maybe I didn't articulate it very well—is that the committee heard a significant amount of testimony from experts who indicated that what a young infant needs is not so much intellectual stimulation, but a warm, close, loving, sustained, continuous relationship. That is more important to the child's behavioral development than anything else. So the question is raised as to whether a 3-month-old or a 6-month-old can get that kind of emotional care in an institutional facility.

I am concerned after reading that KinderCare, the largest provider of child care, describes children as "units." They now say they have more than 100,000 units. I worry about the kind of care that the children are getting and I am particularly concerned about that from an infant's standpoint.

We have had significant testimony from professionals who have indicated that it is bonding and a close relationship that is needed, or love, if you want to put it in one word. I am not so sure an institution can provide that. I am a little more confident that a relative or a mother who leaves a child at a neighbor is doing so because she feels that child will receive more loving attention than it would receive in an institution.

So that is why I raised the question and I think it is an important issue that we ought to study before we consign everybody to a public institution.

Mr. FISH. I understood Ms. Johnson that when she said 2 or 3, what went through my head was that she figured that the love at 1 and 2 was——

Mr. COATS. Yes, but the testimony of Ms. Hutchinson was contrary to that and I just wanted to——

Ms. HUTCHINSON. I had my children in KinderCare and I knew many parents in the KinderCare system because my children stayed in KinderCare for almost 4 years. Many mothers with children under age 1 switched their children to KinderCare, whether KinderCare Corp. describes the children as "units," but the individual instructors, teachers—my children got a lot of nurturing and they had sufficient numbers of individuals as staff in the infant care room that they were able to give them that individual attention so that many parents that I came in contact with in the KinderCare system switched their children into KinderCare from neighbors' homes where the children—the neighbor had too many children; the infant was not being properly cared for, and they switched them into KinderCare.

As I say, I think it is the option of people to place it with a relative. Relatives give good loving care, no question, but for parents who do not have that opportunity, there should be some place other than with an unstructured place where the parent is not sure of the quality of care. I think that that is necessary.

Mr. COATS. I would yield back.

Chairman MILLER. Mr. Marriott.

Mr. MARRIOTT. I would just like to make one point and maybe get a clarification of what our goal is here because I think it makes a big difference on what we do. What is the goal of child care? Is it simply to provide a service to working parents? If it is, then it would take a whole different approach. Is it to provide extra stimulation for certain people—it certainly wouldn't be everybody—who need additional help? Is it the education of our children that we are concerned about?

What is the goal, Mr. Chairman, that we are trying to address with day care? Maybe the witnesses would have an answer to that. I think it might be a good idea to clarify what we perceive the goal of day care is. Is it simply a service to working parents? If it is, I don't know that the Federal Government or any government ought to be that much involved unless we can justify getting people off AFDC and putting them to work, or is it simply the education of our children? What is it?

It seems to me that the solutions we find won't come until after we clarify what the goal is. Perhaps I have stunned you all with——

Chairman **Miller**. Well, I think that, if the gentleman would yield, hopefully that will be addressed in the report of this committee, but let me speak on my own behalf, and that is that I think we would be very foolish to try to suggest that the goals of child care, which I believe are the healthy development of that child, that those goals can be met in any single portion or sector of the child care community because we don't know where that loving attachment and care is going to be provided. It may be provided in the for-profit; it may be in family day care; it may be in a public agency; it may be in a relative's home, because let's remember, we have sat here with the issue of child abuse hanging over these hearings and 90 percent of the child abuse is by the parents of those children.

Now, we can put them with their grandfather, their grandmother, and we can find out they abuse them, and they can get abused in centers. Quality care can be with the grandmother or terrible care. I think what we are trying to develop here is that system which supports both the availability and the quality of that care.

That is why yesterday we heard so much about the training of family day-care providers because they are living on such a margin while they are taking care of four to six other children, that we can't get them the kind of training to upgrade the quality of care. I suggest that many of these people are there because they want to take care of children; many because they are taking care of their own children, so they say, "I can take care of two more, three more." But we want to upgrade that. We want to upgrade the quality. Maybe the best public relations is not to call children "units," you know, maybe they ought to be upgraded a little bit in terms, but that might be on Madison Avenue. But in any case, to upgrade it.

It is interesting to note, and I think, Mr. Marriott, you said this before, this is not going to be cheap if we really care about these kids because it is interesting to note that this administration supports two programs in statement, and to some extent, in money. One is Head Start and the other is the Job Corps, both terribly successful, both terribly expensive. The Job Corps costs us about $16,000 to $20,000 to train one of those young people—but they do better in the job market than other disadvantaged young people. But we won't put up the money to train disadvantaged young people to the same extent that we train people in the Job Corps.

Head Start, very expensive, and the longitudinal studies tell us wonderful things about these children compared to others. That is the full development and I would think—I would hope that what this committee, as we come to a conclusion here, look at this as the development of that child. If this is warehousing, if we are just talking about, you know, like a parking lot for their cars and their children, we could leave the kids in the cars and they could park them downtown.

But that is not what we are talking about. We are talking about the development of this child under the different circumstances that families find themselves in, mostly in this case because of economic need.

Mr. **Marriott**. If that is the case, Mr. Chairman, if the education of the children and the stimulation of the children——

Chairman **Miller**. I would say "development."

Mr. **Marriott** [continuing]. Is the main goal, the development of children, you forgot to mention maybe the mother staying at home——

Chairman **Miller**. Oh, no, no, no.

Mr. **Marriott** [continuing]. And taking care of the child, rather than working——

Chairman **Miller**. Not at all.

Mr. **Marriott** [continuing]. Maybe it ought to be a priority, if our main goal is not providing services to working parents, my concern is that if that is the case and the business we are in today is finding out how the target benefits to the low-income people and that probably ought to be the bottom line of what we do here. We are not talking about child care, per se; we are talking about targeting programs for low-income——

Chairman **Miller**. All women——

Mr. **Marriott**. Disadvantaged who need additional stimulation at younger ages.

Chairman **Miller**. But let me just say—we should hear from the witnesses and the members can talk at lunchtime—but let me just say, all working women are not low-income. All women who work and need to work are not necessarily low-income and they can provide care at one level or another, but they may be just above whatever that definition is.

Second, in the first hearing——

Mr. **Marriott**. But we are not to be preoccupied with that group——

Chairman **Miller**. But in the first hearing, we ought to be preoccupied with their children. In the first hearing, the issue was raised by, I think, Congressman Wolf and I think later by Congressman Coats, about mothers at home. Yesterday we spent a great deal of time on the question of parental leave and long discussions of whether even this committee ought to jump from child care to the issues around parental leave, for security for women so that they can stay home, given what we will hear later this morning and we have heard before.

So I think unfortunately the universe in this issue is fairly large in terms of how you answer the development of those children.

Mr. **Marriott**. Just to conclude and not to belabor the point, but if the whole objective here is the children and not to provide services to working mothers, then our concern is to target to those children who are less fortunate, lower income, who need extra stimulation and that should be the scope of these hearings, should it not?

Chairman **Miller**. What do you do with the single mother with two children who earns $9,500 a year, $14,000 a year? There still has to be some care facility, whether it is public, private, center-based, family care that is still out there because she has to work every day. She doesn't have a husband in the house. She doesn't have another wage-earner in the house.

Mr. MARRIOTT. Well, that is my point. My point is that there needs to be——

Chairman MILLER. I guess the trouble is the same focus for low-income families. I think it is families, single-parent, dual-parent, in need of this care that we ought to be concerned with. Some people, obviously, can go out and purchase it in the open market better than we can anticipate, but it is those families in need, I think. I would not say that this is only a low-income issue. As one who represents one of the wealthier districts in California, this is not a minor issue among those people who work.

Mr. MARRIOTT. But also, the priority has to be in the area where we can afford to pay, especially if the Government is going to be involved in a way that is at all meaningful.

Chairman MILLER. I told you this was going to be a bipartisan debate. [Laughter.]

Thank you very much for your testimony. You obviously got the committee going here this morning so you were most successful in stimulating our thinking on this issue.

Next, the committee will hear from a panel consisting of Joe Piccione, who is a research associate for the Child and Family Protection Institute; Betty Carnes, who is the chair of the executive board, the Child Development Associate Credentialing Commission out of South Carolina; Warlene Gary, who is the associate director of Government Relations for the National Education Association; Robert Kowash, who is from Early Childhood Learning Centers, Inc., and a member of the National Association for Child Care Management; and Susan Aronson, who is a doctor and is chair of the Pennsylvania Chapter of the American Academy of Pediatrics.

Is everybody here? If you are not here by the time I finish reading your name, you are disqualified. [Laughter.]

We will start with Mr. Piccione, and again, I want to welcome each of you to the committee. Your prepared statements will be placed in the record in their entirety and you proceed in the manner in which you are most comfortable. To the extent to which you can summarize and allow for questions of the committee, that would be deeply appreciated.

I would also like to say to the committee that yesterday and today considerable testimony was received on the necessity of increasing the title XX block grant and I would like to submit for part of the formal record the recent GAO report which describes how States have responded to the social services block grants, what they have done with that money, how it is apportioned out and I think it will be helpful to us, considering the number of witnesses that have touched upon that issue.

[The information follows:]

By the Comptroller General, Report to the Congress of the United States, Block Grants Brought Funding Changes and Adjustments to Program Priorities

DIGEST

The Omnibus Budget Reconciliation Act of 1981 substantially changed the administration of various federal domestic assistance programs by consolidating numerous federal categorical programs into block grants and shifting primary administrative responsibility to states. This report focuses on the social services block grant (SSBG) and is one of a series GAO will issue to give the Congress a status report on block grant implementation.

GAO did its work in 13 states: California, Colorado, Florida, Iowa, Kentucky, Massachusetts, Michigan, Mississippi, New York, Pennsylvania, Texas, Vermont, and Washington. These states receive about 48 percent of the national SSBG appropriations and account for an equivalent portion of the nation's population. While these states represent a diverse cross-section, GAO's work cannot be projected to the entire country.

BLOCK GRANT REMOVES PROGRAM RESTRICTIONS BUT REDUCES FEDERAL FUNDING

Social services programs are designed to protect individuals from abuse and neglect, help them become self-sufficient, and reduce the need for institutional care. The federal government has funded such programs since 1956 when the Congress authorized a dollar-for-dollar match of state social services spending. Between 1962 and 1972, the federal matching amount was increased and several program changes were made to encourage increased state spending. By 1972, a limit was placed on federal social services spending because of rapidly rising costs. The federal social services program was restructured in 1975, when title XX was added to the Social Security Act and when federal administration of social services programs was centralized. (See pp. 1 and 2.)

The 1981 block grant legislation consolidated the title XX programs into SSBG and gave states greater program authority. Also, SSBG eliminated several requirements, including earmarking $200 million annually for day care. The implementation of SSBG was also accompanied by reduced federal spending. In fiscal year 1981, the national title XX appropriation was $2.991 billion, compared to $2.4 billion under SSBG for fiscal year 1982—a 20-percent decrease. Funding for 1983 was $2.45 billion from SSBG plus an additional $225 million appropriated through the emergency jobs bill legislation for a total of $2.675 billion. Between 1981 and 1983, the 13 states GAO visited experienced decreases in SSBG funding ranging from 8.3 percent in Florida to 20 percent in New York. The amount of reduction varied by state as a result of updated population data used to determine each state's allocation. (See pp. 2, 4, and 10.)

STATES ASSUME A LARGER SHARE OF FUNDING

SSBG represents one of several funding sources for state social services programs, and decisions on how to use SSBG funds are integrated into most states' overall social services planning and budgeting processes. Consequently, changes in federal, state, and other funding were important concerns in establishing program priorities.

Although SSBG funding in 1982 and 1983 was below 1981 levels, total expenditures for social services increased during this period in 11 of 13 states GAO visited, ranging from 1 percent in Michigan and Pennsylvania to 24 percent in New York. The increase in total expenditures was primarily due to increased state and other non-federal funding, as well as transfers from other federal block grant programs. Between 1981 and 1983, state revenues and funds from other sources, such as fees and local matching contributions, increased in 12 of the 13 states, ranging from 1 percent in Florida to 57 percent in Kentucky. As SSBG allocations declined, the proportion of total expenditures shouldered by state and other funds rose from 49 percent in 1981 to 54 percent in 1983. (See pp. 9 to 15.)

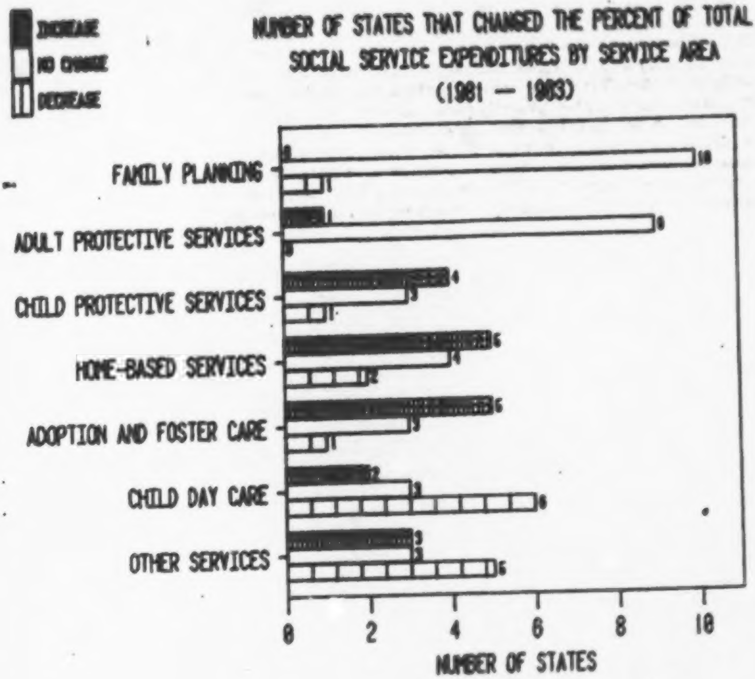
Additionally, in 1982 and 1983 the 13 states transferred a total of $112 million into SSBG from the low-income home energy assistance block grant. In 1983, all the states obtained supplemental jobs bill funds, and several states used more federal Medicaid funds to provide social services. (See pp. 16 to 20.)

However, considering a national inflation factor for state and local purchases of goods and services of 13.5 percent from 1981 to 1983, total expenditures declined in 11 of the 13 states, ranging from less than 1 percent in Mississippi to 19 percent in Washington.

STATES MODIFY CERTAIN SERVICES AND CLIENT ELIGIBILITY CRITERIA

For the most part, service areas funded in 1981 continued to receive support in 1982 as states attempted to maintain program continuity. However, the reduced SSBG allocations caused states to reorder the priorities of individual service areas, reduce or eliminate services, and alter client eligibility criteria.

Although state priorities varied, certain trends did emerge. As shown on the next page, states gave higher priority to adult and child protective services, adoption and foster care, home-based services, and family planning. Although complete data were not always available, in most states these expenditures were maintained or increased as a percentage of total expenditures. Conversely, more states decreased the share of expenditures for day care and the other services category, which includes various services, such as family counseling and juvenile services.



States also changed specific services and client eligibility criteria. Seven reported client eligibility changes for day care, such as lowering the income limits to qualify for assistance. Four states added or deleted specific services, such as housing and health services counseling, in their other services category. Other changes varied considerably by service area and included modifying services, altering targeting policies, and changing staffing levels.

The 48 individual service providers GAO visited to obtain some examples of local operations experienced a wide variety of changes. These providers were diverse in their organization, funding sources, services offered, and size of operations. The types of changes they reported included staff reductions, increased workloads per caseworker, and increased fees. (See pp. 29 to 48.)

STATES CARRY OUT PROGRAM MANAGEMENT RESPONSIBILITIES

The administrative involvement states had with the prior programs minimized the need for major organizational changes under SSBG. The few organizational changes made were designed to increase local program discretion or to respond to funding cuts. States were carrying out their expanded management role by establishing program requirements, monitoring grantees, providing technical assistance, collecting data, and arranging for audits of funds. These efforts were often integrated with state efforts for other state or federal programs. (See pp. 49 to 59.)

According to state officials, after block grant implementation 10 of the 13 states changed or standardized their administrative requirements, 10 reduced the time and effort involved in reporting to the federal government, 7 reduced the time and effort involved in preparing applications, and 4 improved planning and budgeting. While there were numerous indications of administrative simplification, specific cost savings could not be quantified, and officials offered varying perceptions of changes in administrative costs under the block grant. (See pp. 59 to 65.)

LITTLE CHANGE IN INVOLVEMENT OF STATE ELECTED OFFICIALS AND CITIZEN INPUT PROCESSES

Because most governors and legislatures were involved in program decisions under the prior program, little additional involvement occurred under SSBG. Similarly, the prior program mandated that states provide opportunities for citizen input, and states generally continued to use processes already in place. All 13 states prepared their required report on the intended use of SSBG funds, and 12 states reported holding public hearings even though they are not required. Also, 11 states used one or more advisory committees. State officials reported that these information sources were important in the decisionmaking process. (See pp. 66 to 74.)

Interest group satisfaction with state efforts to obtain input varied. For example, about 62 percent were satisfied with their access to state officials, while 57 percent were dissatisfied with the availability of information prior to hearings. However, interest groups that participated in such activities as testifying at hearings were more satisfied than those not as actively involved. Also, more interest groups were dissatisfied than satisfied with the states' responses to their specific program concerns. Sixty percent believed that changes states made adversely affected the organizations or individuals they represented. Only 21 percent viewed state changes favorably; the others perceived no impact. (See pp. 74 to 77.)

OVERALL PERCEPTIONS DIFFER

Overall, state executive and legislative officials viewed the block grant as more flexible and less burdensome than prior programs, and found it to be a more desirable way of funding social services programs. Conversely, most interest groups viewed it to be less desirable. However, both interest groups and state officials expressed concern about the federal funding reductions that accompanied the block grant, which from their perspective tended to somewhat diminish its advantages. It was often difficult for individuals to separate block grants--the funding mechanism--from block grants--the budget-cutting mechanism. (See pp. 77 and 78.)

AGENCY COMMENTS

Department of Health and Human Services officials commented that this report accurately summarized implementation of SSBG. They also made several oral suggestions of a technical nature, and where appropriate, these were incorporated into this report.

Chairman MILLER. Mr. Piccione, welcome.

STATEMENT OF JOSEPH PICCIONE, RESEARCH ASSOCIATE, CHILD AND FAMILY PROTECTION INSTITUTE

Mr. PICCIONE. Thank you, Mr. Chairman.

Thank you for having——

Chairman MILLER. We may never get out of here if you stimulate the panel like the last one. [Laughter.]

Mr. PICCIONE. Well, I will try.

In the time alloted for oral remarks, I would like first to address some questions presented by the tax credit for child and dependent care; and second, to suggest further examining this credit within the more broad context of the tax treatment of the family in current policy.

The tax credit for child and dependent care has undergone much scrutiny already in its short life. My own examination of the available data focuses on the families at the adjusted gross income level of $10,000 or less. These families are those who can utilize the credit with the maximum percentage, the 30 percent rate. We have found that less than 6 percent of the total amount of the credits' $1.3 billion value goes to these families. Sixty-four percent of the credit is directed to families above the median-income level.

Now, in its recent adjustment of the credit to better target the needs of lower income families, the Congress has indicated the significance of this goal, yet it seems that more may have to be done to accomplish this end. One suggested procedure has been considered; the refundability of the credit.

While refundability would certainly help the lower income families using the credit, it is very doubtful that refundability will cause any dramatic tilt of the credit toward the lower income side. In fact, the same IRS statistics that I reproduce in my written testimony that show the use of the credit by income level also record the use of the credit by returns that had no tax liability.

The returns of families under the $10,000 adjusted gross income level that use the credit and had no tax liability and would benefit from refundability would increase the total amount of the credit only 2.5 percent. The current structure of the credit is also troubling because higher income families generally have higher expenditures in child care. That means the higher income families have a greater initial figure to which they can apply their smaller 20 percent credit.

It is very likely, then, that by this route, these upper-income families will still receive a greater tax relief than low-income families. In all of its forms, the credit goes beyond the practical problems into some philosophical problems.

Why is it that the credit and tax policy itself gives its special favors only to certain kinds of parental choices? Why is it that tax relief only comes when surrogate parental care is chosen? What of rural and farm families? Families in which the second parent cannot find work? Families that sacrifice a second income so that their preschool children can be raised at home?

Now, all of this brings me to my second and last point, which is the suggestion that the child care credit should be seen within the larger context of the place of the family in public and tax policy. The maximum tax-reducing value of the tax credit for families with adjusted gross income of $10,000 or less under the child care credit is $720 for the first child. The maximum credit for families at the $28,000 or higher income level is $480.

Now, the 1983 tax tables tell us that even at the highest tax brackets, the tax-reducing value of the personal exemption for dependent children is only $380. For families at the median-income level, the tax-reducing value of the exemption is about $240 per child, and a family with an adjusted gross income of $15,000 receives only $170 of tax reduction from the exemption.

Clearly, the child care credit has come to overshadow the significance of the exemption. The exemption has long been seen as the basic help to families through the tax system. Yet it is evident from its history over the last two decades that it has been neglected.

The significance of this is that having been passive to families in their tax treatment, specialized programs, like the child care credit, become more necessary to address specific problems. However, the policy implication of this is a shift away from the traditional common good approach whereby all families are assisted and allowed to make their own choices, to one in which specialized needs are recognized one at a time.

So I believe it is time to examine the tax treatment of all families with children in a fresh manner. The first step is to focus on a basic and universal approach to families, one, for example, that recognizes the validity of all their child care choices and family particularities.

The basic exemption for dependent children had this role in the past and it completely removed many families from Federal tax liability in the 1940's and 1950's. Other programs in public policy, such as the child care credit, should be properly appreciated within the context of the basic relief given to all families. Only in this manner will our policy to families enjoy a greater coherence and flexibility.

Finally, I would like to point out that there are several ways in which a basic help to families can be structured. The tax exemption for dependent children is our traditional approach. It could always be increased. We should also consider replacing this traditional exemption with a basic tax credit for all dependent children. This would have an equal value for all families and it would overcome some of the problems present in the exemption mechanism.

There is also the family or child allowance mechanism. Now, this is used by every industrialized nation in the world, with the exception of the United States. Those countries have made it the cornerstone of their policy toward families and have found it to be very successful. I have studied and written on the application of the family allowance principle to our nation and find it to be a very promising idea.

I thank you for your time and interest and very much appreciate your invitation to these hearings.

[Prepared statement of Joseph Piccione follows:]

PREPARED STATEMENT OF JOSEPH PICCIONE, RESEARCH ASSOCIATE OF THE CHILD AND FAMILY PROTECTION INSTITUTE, WASHINGTON, DC

The Child and Dependent Care Tax Credit has become a widespread and popular tax relief, and it is used on more than 4,500,000 tax returns. However, the credit as it is structured has faced many questions, especially from this committee. There are elements of the credit which deserve our continued attention both on the practical and the theoretical levels. These issues may suggest certain practical or policy modifications, and may prompt new kinds of research, especially regarding the utilization questions recent data presents.

Practical Questions

According to the Budget for fiscal year 1985, the revenue loss due to the credit for FY 1983 is $1.52 billion, for FY 1984 will be $1.695 billion, and will grow to $1.905 billion for FY 1985.

As the credit becomes more widely used and represents a growing amount of revenue loss, questions regarding the efficiency of the credit become more pressing.

According to the Congressional Budget Office, the median family income in 1977 was $16,009. In that year, only 32% of the tax credits for child and dependent care went to families below the median income line. In 1981, with a median family income of $22,338, only 36% of the tax credits went to families below the median income level. In the December 1983 committee print "Demographic and Social Trends" this committee reported that "only about 7 percent of the 4.6 million families using the dependent-care tax credit had incomes below $10,000 in 1981, for example, and less than 6 percent of the estimated $1.3 billion in tax credits went to these families." (page 47)

The "major reason" for the small percentage of the credit that went to low income families "is that the dependent-care tax credit is not refundable--that is, it cannot exceed the amount of the family's tax liability--and most families with incomes below $10,000 pay little or no income tax." (page 47)

While it is true that many of the low income families that use the tax credit have little or no tax liability, and without prejudice to the discussion of the refundability of the credit, it is difficult to conclude from recent data that the lack of refundability is the "major reason" why low income families are under-represented in the use of the tax credit.

Data from the Internal Revenue Service shows that if the credit had been refundable for families with gross adjusted income of $10,000 or less the expense represented by this is $33,605,000, which is only 2½% of the total amount of the revenue loss of the credit. An additional 2½% of the $1.3 billion of the 1981 credit cannot represent "the major reason" why low income families are not a greater percentage of the child and dependent care credit. (See following page for IRS breakdown of the tax credit users by income level and by taxable/non taxable status.)

The question that must arise at this point is whether the child and dependent care tax credit is effectively reaching families at the lower income levels. To fully answer this question, it would be necessary to conduct new kinds of research and sampling of low income families.

One possibility is that, like the use of the earned income tax credit, the child care credit seems too complex to use. Another possibility is that some low income families who have made informal child care arrangements with neighbors or friends may not take advantage of the credit because the child care provider is not reporting the payment as income, and it remains part of the "underground" economy.

Utilization studies of the credit seen appropriate. Such could provide useful information for overall analysis of the credit, and could help target information to those families who have not used the credit in the past.

3.

Table 3.4—Returns With Income Tax Before Credits: Tax and Credits, by Size of Adjusted Gross Income

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of adjusted gross income	Child care credit	
	Number of returns	Amount
	(17)	(18)
All returns, total	4,577,000	1,147,097
No adjusted gross income	—	—
$1 under $1,000	—	—
$1,000 under $2,000	—	—
$2,000 under $3,000	—	—
$3,000 under $4,000	*3,735	*157
$4,000 under $5,000	*436	*22
$5,000 under $6,000	24,514	2,651
$6,000 under $7,000	41,165	6,163
$7,000 under $8,000	71,645	14,479
$8,000 under $9,000	61,312	10,337
$9,000 under $10,000	85,100	17,341
$10,000 under $11,000	115,087	26,037
$11,000 under $12,000	98,735	24,596
$12,000 under $13,000	128,621	23,646
$13,000 under $14,000	120,832	31,025
$14,000 under $15,000	107,282	25,067
$15,000 under $16,000	105,705	25,706
$16,000 under $17,000	128,046	32,511
$17,000 under $18,000	130,225	31,232
$18,000 under $19,000	115,919	22,545
$19,000 under $20,000	129,688	27,477
$20,000 under $25,000	642,085	147,716
$25,000 under $30,000	726,910	176,705
$30,000 under $40,000	995,011	246,663
$40,000 under $50,000	461,566	140,739
$50,000 under $75,000	220,299	67,816
$75,000 under $100,000	33,709	12,616
$100,000 under $200,000	18,703	6,745
$200,000 under $500,000	2,790	1,062
$500,000 under $1,000,000	179	95
$1,000,000 or more	63	34
Taxable returns, total	4,352,662	1,108,638
No adjusted gross income	—	—
$1 under $1,000	—	—
$1,000 under $2,000	—	—
$2,000 under $3,000	—	—
$3,000 under $4,000	—	—
$4,000 under $5,000	—	—
$5,000 under $6,000	—	—
$6,000 under $7,000	*4,536	*707
$7,000 under $8,000	14,316	2,386
$8,000 under $9,000	46,941	9,596
$9,000 under $10,000	72,388	15,644
$10,000 under $11,000	102,776	25,743
$11,000 under $12,000	96,710	24,535
$12,000 under $13,000	125,754	23,226
$13,000 under $14,000	118,889	31,134
$14,000 under $15,000	106,666	25,067
$15,000 under $16,000	105,140	25,646
$16,000 under $17,000	123,655	31,563
$17,000 under $18,000	130,220	31,232
$18,000 under $19,000	115,022	22,469
$19,000 under $20,000	127,377	27,366
$20,000 under $25,000	642,083	147,716
$25,000 under $30,000	724,901	176,386
$30,000 under $40,000	994,886	246,472
$40,000 under $50,000	461,566	140,739
$50,000 under $75,000	219,734	67,887
$75,000 under $100,000	33,708	12,616
$100,000 under $200,000	18,702	6,745
$200,000 under $500,000	2,785	1,062
$500,000 under $1,000,000	179	95
$1,000,000 or more	63	34
Total nontaxable returns	165,181	39,269
All returns, summary:		
Under $5,000	*3,171	*179
$5,000 under $10,000	283,480	60,171
$10,000 under $15,000	554,083	144,856
$15,000 under $20,000	629,340	140,024
$20,000 or more	3,069,171	801,527

(¹) Less than $500.

*Estimate should be used with caution because of the small number of sample returns on which it is based.

**Data combined to avoid disclosure of information for specific taxpayers.

NOTE: Detail may not add to total because of rounding.

Source:
Internal Revenue Service
Statistics of Income--1981
Individual Income Tax Returns

Questions of Policy and Theory

The child care tax credit presents policy questions that have not been widely discussed. The credit provides significant help to families with children in child care programs outside the home. The majority of the families who receive the benefit of the credit (64%) are above the median income level for families. Most of these families in the above median income level will be able to gain a greater tax reduction from use of the credit than from the exemption for dependent children built into the tax code and available to all taxpaying families.

The basic exemption for dependent children is being overshadowed by the use of the tax credit for child care. This should pose a serious concern to policymakers because a particular benefit, the credit, has developed a greater significance than the general relief offered all families in the exemption.

Offering the credit and its tax reducing effect may actually result in a less equity in our tax policy by being unfair to families engaging in the traditional mode of childraising with one parent at home. This would result if these families, already sacrificing a salary for the sake of childraising, were required to pay additional or higher taxes due to the child care credit other, two-income, families were using. These higher taxes would mean that the families with a parent a home were paying for the privilege of raising their own children by higher taxes, in addition to sacrificing a second salary.

It is correctly stated that an ever increasing number of women with children under the age of five years are entering the paid labor force. However, according to "Child Care Arrangements of Working Mothers: June 1982" of the Census Bureau (Series P-23, Number 129)group day care is not growing separately and greater than the care provided by other family members, such as grandmothers, when both parents work. The study also indicates that the groupsmost likely to use group day care are single women who are head of their households or highly educated and highly paid married women. Group day care does not seem to be the inevitable destiny and preferred form of care for pre-school children.

It is also known that many of the women of children under the age of five would prefer full-time child raising work to paid employment outside the home. To date, policy has not responded to this preference. Many families would be willing to sacrifice a second salary if they could. Policy has only offered assistance to those families that are forced out of the traditional child raising mode.

Do we as a society properly appreciate the place and importance of parents who prefer the traditional style of raising children? Are we willing to consider new approaches to policy that would take into account full time mothers?

Truly, the current tax credit can seem coercive to mothers who want and feel they should and must raise their children themselves. Our policy tells them that the significant assistance of the tax credit will be theirs only if they enter the labor force, leaving what to them is their more important work at home.

Policy Options for the Future

Policymakers are charged with responsibility for the common good of their society. The common good is seen as being inclusive of the needs of all persons; the common good is more than attention to the needs of the majority, and certainly more than the needs of a few.

In this light we can judge that the tax credit for child care may be of benefit when as is seen by its beneficiaries: however, the lowest income groups are not well represented here. In addition, the credit can be so significant for above median income families that it has a greater tax-reducing effect than the tax exemption for dependent children. Finally, the credit overlooks families who have sacrificed an income to have a parent at home. The credit needs examination on the practical and theoretical levels.

A possible solution to the problem of the under-representation of the lowest income families in the credit might be to make the credit refundable. However, we have seen that this would not have a dramatic effect on low income participation.

Addressing the use of the credit by above median income families: the Congress has in the past adjusted the credit so that it is better oriented to low income families. This appears to be very appropriate, and may be further corrected in the future.

As regards families with a parent at home: a credit for full-time parents may be created, or a doubled personal exemption for the federal income tax.

These possible adjustments should also be complimented by a new examination of the way policy is attentive to the needs of all families. Traditionally, our public policy has favored tax relief to families through the exemption for dependent children. The exemption is presently $1,000 for each dependent. The exemption has grown to $1,000 from the $600 amount in 1948. The slow growth of the exemption (it has not even doubled) indicates a passivity towards the family by policymakers, because earnings have grown more than seven-fold since 1948. There is certainly no legal requirement that the exemption keep up with earnings levels, but policy has not even shown much of an interest in even trailing closely behind.

It has been suggested that if the dependent exemption were increased, perhaps doubled, all tax paying families would be helped, whether they had two-parent labor force participation or not.

The increased level of the exemption would also aid parents who are not currently married and are heads of households. The federal tax code provides a lower liability for this category of tax filers, and the increased exemption would further lessen this liability, in recognition of the economic pressures faced by single heads of households.

An alternative to the increased exemption would be replacing it entirely and creating in its place a tax credit for dependent children that could be used by all families with equal tax-reducing results. A difficulty with the current exemption is that the actual tax-reducing effect of the $1,000 exemption depends on the marginal tax rate and adjusted gross income. The higher the adjusted gross income, the higher the value of the exemption. A tax credit replacing it would have a universal value.

A final alternative to the exemption is that of the family allowance concept, which is practiced in every industrialized nation except the United States. Last year, a study of mine, HELP FOR FAMILIES ON THE FRONT LINE: THE THEORY AND PRACTICE OF FAMILY ALLOWANCES described a possible implementation of an American family allowances program. A family allowances program could be created by the elimination of the existing exemption. The benefit of a family allowances program is that it would apply to all children in all kinds of American families. It would have a standard benefit amount, which if made taxable, could further orient it toward lower income families. Family allowances are traditionally provided on a monthly basis, and this would solve the pre-payment problem which has haunted the child and dependent care tax credit.

Conclusion

The child and dependent care tax credit was approached with great optimism at the time of its initiation. However, the patterns of use of the credit show it to be of primary benefit to above median income families. The committee is also aware that the credit, as a benefit which is obtained once a year, does not meet the ongoing needs of low income families which must pay for care arrangements throughout the year. Yet a pre-payment program for the credit would be very difficult to establish.

We should face the possibility that the credit as presently structured may not be suitable for continued use due to its inability to effectively help low income families in the child care provision needs. Continuing to slant the credit toward lower income families seems most appropriate. At the same time, a reconsideration of general tax policy toward all families will overcome the lack of equity present for those families already sacrificing a second income for child raising purposes. These families witness the availability of a tax credit which will deliver a greater reduction in taxes than will the basic exemption for dependent children.

By improving the tax treatment of all families, specialized programs such as the child care credit would become less essential. It could take on a new shape and size as the general policy treatment of all families is improved. Continuing the road of specialized programs only emphasizes the need for specialized programs for all the varied family styles; a new form of tax relief for families with one parent at home in child raising is an example of such a new specialized program that would be essential.

The basic exemption for dependent children has been neglected over the course of the last twenty years, yet it does have the promise of once more becoming an important policy tool. A dependent tax credit or family allowance program could take over the same role in policy as does the current exemption. The credit or allowance, properly crafted, could quite possibly eliminate the need for the specialized child care credit, or certainly place the child care credit in its proper role and not allow it to overshadow what should be the principal form of relief to families.

Providing for the needs of children is a society's best investment in its future. As economic and social trends impact on the nation's families it is important to retain sufficient flexibility in programs to respond to changing situations with policy proposals which affirm and support the work of families.

Chairman MILLER. Thank you.
Ms. Carnes.

STATEMENT OF BETTY V. CARNES, CHAIR, EXECUTIVE BOARD, CHILD DEVELOPMENT ASSOCIATE CREDENTIALING COMMISSION; HUMAN SERVICES COORDINATOR, STATE HEALTH AND HUMAN SERVICES FINANCE COMMISSION, COLUMBIA, SC

Ms. CARNES. Mr. Chairman, members of the committee, my name is Betty Carnes and I want to thank you for this opportunity to share with you our view on how we as a Nation can improve the quality of child care services for our youngest citizens.

The Child Development Associate, CDA, Credentialing Commission is a coalition of national professional associations concerned about the development of young children that have joined together in the belief that the best way to improve the quality of child care services being provided to our Nation's children is to upgrade the competence of the adults providing that care.

We believe in the simple proposition that it is the skill, the knowledge and the commitment of the adult working directly with children that is the most important factor in determining the quality of care being provided.

Our commission recognizes the fact that there are many other factors that influence the quality of child care services in our country. We support the many recommendations that you will receive from a wide variety of groups identifying many different actions that the Federal Government can take to improve the quality of child care in this Nation.

However, based on our belief that the single most important ingredient in that formula that produces quality child care is the competence of the adult providing that care, we likewise believe that the single most important thrust that the Federal Government could make to improve the quality of child care in this country would be to support programs that foster the personal and professional growth of professionals in this field.

Mr. Chairman, this problem of improving quality is not unique to child care. It is a problem that is found in most human services and, indeed, in most areas of human endeavor. We as a Nation have addressed it many times before. When our Nation wanted to improve its medical services, we spent money on improving the training of doctors. When we were concerned about our children falling behind the children in the Soviet Union in math and science, we spent money to improve teacher training. When we decided that our military preparedness was vulnerable, we poured money into training our soldiers.

There are many precedents across a wide range of areas in our history of the Federal Government solving a problem by targeting resources to help the people involved in that endeavor to do their jobs better. As this committee has recognized, we do have a national child care problem. The quality of child care services across this country is not what we would want for our children. The commission recognizes this because we know what quality child care is. The professional associations that have worked with and supported CDA over the last 13 years have achieved something that many professions never achieve: We have come to agreement on what constitutes quality. We have developed a set of standards, and we call them the CDA competency standards, that define what a competent child care provider does with children. We have established standards for center-based care for 3- to 5-year-olds as well as for infants and toddlers. We have established standards for home visitors and by early next year, we will have standards for family day care providers.

If all the providers currently caring for children in this country provided the kind of services described in our standards, this committee would not be here today asking this question. The plain fact is, however, that they do not, and it is little wonder. The child care profession offers people low pay, few fringe benefits, poor working conditions, little prestige and a very intensive and demanding job.

People who work in this field do it because they want to help children and families. However, many of these people simply do not know what to do when they have children under their care. CDA provides a way of addressing this problem.

At CDA, we have done more than define standards; we have developed a program that teaches people how to reach these standards, test them to make sure that, in fact, they do reach them, and formally recognizes them when they demonstrate this level of competence. This combination of training, assessment and credentialing is what the CDA program is all about.

I might also add that one of the most important features of CDA is the direct involvement of parents in the assessment of their child's teacher. This is very important to parents and to their children.

Just recently, I received a letter from a parent in Missouri who had participated on a local assessment team. She said, and I quote: "When a candidate completes the CDA process and passes in each of the assessment areas, you have a qualified person who is very capable of caring for young children, and as a mother of a preschool child, I am pleased to have the opportunity to participate in the CDA process. I feel this is a valuable program and I am glad it existed in my community."

CDA has involved over a quarter of a million parents in the process of having an imput into the quality of care their child is receiving. If more parents became this involved in the care their child is receiving, we would be less likely to be reading about instances of sexual abuse of children in child care settings.

The CDA experience offers child care professionals the opportunity to improve their skills. A recent national survey of CDA's revealed participants clearly believe their abilities have improved across a number of areas and that acquisition of the CDA credential is an affirmation of their ability to demonstrate their competence. The CDA program works. It offers a framework for addressing this national problem.

So what should the Federal Government do to improve the quality of child care services? The Federal Government should target resources to promote the competence of child care providers. This can be done in three ways: First, the Federal Government should continue to support the CDA effort. The CDA has had bipartisan support since its inception in 1971. It is an effective professional preparation program. It also is a sound investment.

It is relatively inexpensive compared to the training of a doctor, a high school teacher or a soldier. Not only does it yield results, but it is a fine example of how Federal dollars can leverage State, local, and private sector dollars. Every Federal dollar being spent on CDA assessment and credentialing is being matched in equal value by an in-kind contribution from the profession, as well as being matched by fees paid by candidates. Continued Federal support is needed to enable us to keep our system of training assessment and credentialing in place.

Second, the Federal Government should target additional resources into helping child care providers pay for the professional preparation that they need. This could be done through a variety of techniques: Reestablishing the title XX training provision eliminated in 1981; establishing a tax credit for child care providers who invest in their own training; establishing a loan program targeted to the child care population or earmarking funds in the Job Training Partnership Act for child care. Due to the low wages paid to those who work in this profession, most child care providers simply cannot afford to pay for their own training.

Third, the Federal Government should use its influence to improve State licencing standards and systems. The licensing standards, particularly in the area of staff qualifications, need to be upgraded. If the Federal Government can use its influence to encourage States to raise the drinking age in order to protect citizens on our highways, it can certainly use its influence to encourage States to carry out their responsibility to protect the well-being of children in child care.

Working together, we can solve this problem. Every American child deserves the right to grow and develop normally, whether they are at home with their parents or being cared for by others. With strong national leadership, we can move our country from being a nation at risk to being a nation that has the wisdom to protect and develop its most valuable national resource.

I want to thank you again for this opportunity to present my views on this very important issue.

[Prepared statement of Betty V. Carnes follows:]

PREPARED STATEMENT OF BETTY V. CARNES, CHAIRPERSON, CHILD DEVELOPMENT ASSOCIATE [CDA] CREDENTIALING COMMITTEE

Mr. Chairman, members of the Committee, I want to thank you for providing me the opportunity to share with you our view on how we, as a nation, can improve the quality of child care services for our youngest citizens?

The Child Development Associate (CDA) Credentialing Commission is a coalition of national professional associations concerned about the development of young children that have joined together in the belief that the best way to improve the quality of child care services being provided to our nation's children is to upgrade the competence of the adults providing that care. We believe in the simple proposition that it is the skill, the knowledge, and the commitment of the adult working directly with children that is the most important factor in determining the quality of care being provided.

This belief not only represents the collective judgement of the hundreds of thousands of professionals working in the field of child care that make up our combined membership, but it is also supported by the best empirical research. Both the National Day Care Study and the Family Day Care Study have found significant relationships between the specialized training of adults and the development of children in care.

Our Commission recognizes the fact that there are many factors that influence the quality of child care services in our country. We support the many recommendations that you will receive from a wide variety of groups identifying many different actions that the Federal government can take to improve the quality of child care in this nation. However, based on our belief that the single most important ingredient in the formula that produces quality child care is the competence of the adult providing the service, we likewise believe that the single most important thrust that the Federal government could make to improve the quality of child care in this country would be to support programs that foster the personal and professional growth of professionals in this field.

This problem of improving quality is not unique to child care. It is a problem that is found in most human services and, indeed, most areas of human endeavor. We as a nation have addressed it many times before. When our nation wanted to improve its medical services, we spent money on improving the training of doctors. When we were concerned about our children falling behind children in the Soviet Union in math and science, we spent money to improve teacher training. When we decided that our military preparedness was vulnerable, we poured money into training our soldiers. There are many precedents across a wide range of areas in our history of the Federal government solving a problem by targeting resources to help the people involved in that endeavor do their jobs better.

As this Committee has recognized, we do have a national child care problem. The quality of child care services across this country is not what we would want for our children. We recognize this because we know what quality child care is. The professional associations that have worked with and supported CDA over the last thirteen years have achieved something that many professions never achieve. We have come to agreement on what constitutes quality. We have developed a set of standards — we call them the "CDA Competency Standards" -- that define what a competent child care provider does. They define how to establish and maintain a safe and healthy learning environment for children; how to advance physical and intellectual competence; how to support social and emotional development, as well as provide positive guidance and discipline; how to establish positive and productive relationships with families; how to ensure a well-run, purposeful program responsive to participant needs; and how to maintain a commitment to professionalism. We have established standards for center-based care for three to five year olds, as well as for infants and toddlers. We have established standards for home visitors; and, by early next year, we'll have standards for family day care providers. If all the providers currently caring for children in this country provided the kind of service described in our standards, this Committee would not have to be asking this question.

The fact is, however, that they do not. And it is little wonder. The child care profession offers people low pay, few fringe benefits, poor working conditions, little prestige, and a very intensive and demanding job. People who work in this field do it because they want to help children and families. But many of these people simply do not know what to do when they have children under their care. You don't become a skilled child care provider without training. Yet, in many states in this country, you need little more than to be 18 years old, immunized, and breathing to work in child care. Child care providers in this country need and want good training.

CDA provides a way of addressing this problem. At CDA we've done more than defined the standards, we've developed a program that teaches people how to reach these standards, tests them to make sure that they in fact do reach them, and formally recognizes their accomplishment when they achieve this level of competence. This combination of training, assessment and credentialing is what the CDA program is all about. Here's how it works.

CDA training is provided by hundreds of institutions around the country, most of them colleges or universities. Training includes a combination of academic and field-based experiences. CDA assessment and credentialing is provided through one organization -- the CDA National Credentialing Program -- which is currently being administered by Bank Street College of Education. CDA assessments are conducted by Local Assessment Teams and occur on site. The Local Assessment Team include the Candidate, an Advisor, a Parent/ Community Representative, and a nationally trained CDA Representative. Candidates judged to be competent receive a national professional credential awarded by the CDA Credentialing Commission.

Since the program became operational in 1975, it has grown in size and scope. Over 15,000 persons, from every state in the union, have now earned the CDA Credential and thousands more are currently in CDA training. CDA has been expanded to include caregivers working in centers with infants through five year olds, home visitors and (by 1985) family day care providers. A bilingual specialization is also available. Recognition of the CDA Credential has grown to the point where over half the states have now incorporated it into their licensing standards.

One of the most important features of CDA is the direct involvement of parents in the assessment of their child's teacher. This is very important to them and to their children. Just recently we received a letter from a parent in Missouri who had participated on a Local Assessment Team. She said:

> "When a Candidate completes the CDA process and passes in each of the assessment areas, you have a qualified person who is very capable of caring for young children ... as a mother of a preschool child, I am pleased to have had the opportunity to participate in the CDA process. I feel this is a valuable program and I am glad it exists in my community."

CDA has involved over a quarter of a million parents in the process of having an input into the quality of care their child is receiving. If more parents became this involved in the care their child is receiving, we would be less likely to read about incidents of the sexual abuse of children in child care settings.

The CDA experience offers child care professionals the opportunity to improve their skills. A recent national survey of CDAs revealed participants clearly believe their abilities have improved across a number of areas and that acquisition of the credential is an affirmation of their ability to demonstrate their competence. The vast majority of CDAs believe that the experience had a positive and pervasive effect on their lives: 97% felt the experience positively affected their self-confidence; 93% felt a positive effect on their work with children; and 64.2% felt a positive impact on their relationships with their own children.

Many people in the survey spoke of gaining a better understanding of child development theories, which for the first time provided them with a rationale for the classroom activities they planned. Similarly, others wrote about CDA as the organizing principle which brought into focus previous early childhood knowledge and experience. For example, a CDA from Alabama wrote:

> "When I first began working, it was my love for children along with bits of knowledge gathered from experience that helped me keep my class moving. The CDA has changed all of that. My activities are no longer hit and miss or guesswork."

The results of this survey of CDAs are consistent with other studies investigating the CDA program's impact on self-confidence, job performance with children, and educational aspirations. Peters and Sutton (in press), in a study of Head Start teachers involved in CDA training, found similar trends. These trends are also corroborated by a recent national survey of Head Start directors conducted by the National Head Start Association (DeMers, 1983). In the NHSA survey, 87% of the 240 respondents felt that CDA improved the quality of the educational component of Head Start, and 89% felt that the CDA experience had been beneficial to the personal and professional development of individual staff members. The CDA program works. It offers a framework for addressing this national problem.

So what should the Federal government do to improve the quality of child care services? The Federal government should target resources to promote the competence of child care providers. This can be done in three ways.

First, the Federal government should continue to support the CDA effort. CDA has had bipartisan support since its inception in 1971. It is an effective, professional preparation program. It is a sound investment. It is relatively inexpensive compared to the training of a doctor, a high school teacher, or a soldier. Not only does it yield results; but it is a fine example of how Federal dollars can leverage state, local, and private sector dollars. Every Federal dollar being spent on CDA assessment and credentialing is being matched in equal value by an in-kind contribution from the profession, as well as being matched by fees paid by Candidates.

Second, the Federal government should target additional resources into training for child care providers. This could be done through a variety of techniques: reestablishing the Title XX training provision eliminated in 1981, establishing a tax credit for child care providers who invest in their own training, establishing a loan program targeted to this population, or earmarking funds in the Job Training Partnership Act for child care. Due to the low wages paid to those who work in this profession, most child care providers simply cannot afford to pay for their own training.

Third, the Federal government should use its influence to improve state licensing standards and systems. The licensing standards, particularly in the area of staff qualifications, need to be upgraded. If the Federal government can use its influence to encourage states to raise the drinking age in order to protect citizens on our highways, it can certainly use its influence to encourage states to carry out their responsibility to protect the well-being of children in child care.

Working together, we can solve this problem. Every American child deserves the right to grow and develop normally, whether they're home with their parents or being cared for by others. With strong national leadership, we can move our country from being a nation at risk to being a nation that has the wisdom to protect and develop its most valuable national resource.

Chairman MILLER. Thank you.
Warlene Gary.

STATEMENT OF WARLENE GARY, ASSOCIATE DIRECTOR, GOVERNMENT RELATIONS, NATIONAL EDUCATION ASSOCIATION

Ms. GARY. Thank you.

I am Warlene Gary, associate director of government relations for the National Education Association. I come to you today wearing several hats, representing 1.7 million of the Nation's public school teachers, educational support personnel, and higher educational faculty.

I also wear the hat of a teacher, and I wear the hat of a parent of two daughers, 9 and 13 years old. I am in my second year of mothering-by-telephone, as Judy Mann talked about yesterday in her article for those of you who saw that. So I have latchkey kids from 3 to 6 until I get home because there is no decent available service in my community for my children.

We are pleased to present our views on child care. We commend you, Mr. Chairman, and the Select Committee on Children, Youth, and Families for sponsoring these hearings to gather recommendations on the direction our Nation should follow to ensure solutions for this critical national need.

NEA recognizes the important contribution that a strong foundation of early childhood education can mean for a young person's intellectual, physical, and emotional development during the school years. This recognition is reflected in our recently released "NEA Blue Ribbon Task Force on Educational Excellence Report, an Open Letter to America on Schools, Students, and Tomorrow," which recommends that developmental education of students begin at the age of 4 and precede kindergarten.

While NEA's comments today revolve around the needs of America's children, it should be noted that the NEA supports the concept of care for other family members such as elderly relatives as well. It is well known that our population is aging and that women, the traditional caretakers of the elderly and infirm members of our extended families, are continuing to enter the work force in greater numbers. There is a vacuum of services which our society must address. Extending the concept of dependent care to all members of the family is our ultimate goal.

I am going to shorten some of my comments, but I am submitting my total prepared statement for the record.

Chairman MILLER. It will be included in the record.

Ms. GARY. OK.

The NEA has long supported quality universal child care for this Nation's young. We fought hard for the passage of the Comprehensive Child Development Act of 1971 and we have consistently supported Federal legislative initiatives which lend support to States and localities to provide this most vital service to our Nation's youth and families.

The appendices which you will find noted are our resolutions coming out of our highest policymaking body this summer in Minneapolis.

NEA believes the public school should be involved in the early childhood education of children. We recognize that these early formative years for a child are those on which the foundation for the remainder of his or her academic achievement rest. It is, therefore, fitting that the local public schools which are generally neighborhood oriented be utilized for programs in child development, child care, and special education.

The Federal Government has responsibility for providing incentives and assistance to local school districts to develop programs that utilize trained and certified personnel. These child care programs must be developed with strong parental involvement in considering youngsters' physical, intellectual, emotional, and social needs. They must as well take into account the children's cultural and ethnic backgrounds with great attention paid to the children's family ties and values.

We believe that such programs must be readily accessible to handicapped children.

Care for our youngest children is vital and so is the need for pre-school and post-school care. Often these young students, who are sometimes treated as adults, even though they are still youngsters, must spend morning and evening hours alone and unsupervised, better referred to as latchkey children. They are lonely and frequently at risk.

Pre-school and post-school children should be part of a comprehensive plan that is developed for our children. NEA believes that such programs should include the opportunity for children to participate in study skill sessions, counseling and guidance, in addition to recreational activities.

Many communities have developed school-based programs which should be encouraged by all levels of government. Here I would like to say, we talk about Federal, State, and local roles. I think the Federal Government's role in all of this has to be to provide models and incentives down to the State and local level. It is clearly a partnership that will make all this work. There is no one panacea for figuring out how we can help the child care problem, but it has to be a partnership.

In addition, there should be a special focus on schools or communities with large numbers of single parents or where both parents work outside the home. The House-approved School Facilities Child Care Act calling for the utilization of unused school facilities for after school care is a step in the right direction to providing badly needed care for those children with working parents.

Utilizing otherwise unused public school buildings after hours, during holidays, and during school vacations makes for sound social and fiscal policy. We urge enactment of this legislation. I will not go into the cost of child care.

Availability of child care services is a major hindrance for parents. Costs can often be prohibitive, especially for low-income families. Clearly, private for-profit care must not be the only alternative for our Nation's families. Let me footnote this. Four years ago, when I was Executive Director of the President's Advisory Committee for Women, that Committee put out the report, "Voices for Women." We traveled all over this country and took testimony from women. We went into the Indian community, the Hispanic community, every community across this Nation. That committee made a recommendation 4 years ago. Sometimes—Martin Luther King used to talk about the paralysis of analysis. There is definitely a need for child care for low-income families.

Out of those hearings, there was talk about using the elderly to provide services for young children. That was raised by Congressman Coats as an alternative, because there are plenty of elderly people looking for something to do. My experience in this day and age with some of the elderly is they want to be as busy as the young people and do not want dependent care for themselves.

I came up with two—both my grandparents—my children's grandparents did not want to take care of children. They wanted to spend the twilight of their years traveling and doing things that they had never done because they had children, so that obviously is a problem. But for those folks who can find that kind of care, that is one way to deal with it.

I am not going to go into Mr. Reagan's record. His record stands for itself on child care, which is absolutely nil. I would like to point out at this point that I monitor block grants and it is a very dangerous piece of legislation in terms of how the funds are not targeted for those purposes that it was laid out for. So I would say to you that the block granting of title XX did not help at all.

In addition to supporting a comprehensive approach to child care services based on the well-being and education it can help to bring our youngsters, the NEA cites another more serious need for such services. Studies have shown that child care services often have proven effective in protecting children from physical, sexual, and emotional abuse, as well as neglect by parents. This is corroborated by a National Center on Child Abuse study showing that in more than one-quarter of the 600,000 child abuse and neglect cases in 1980, abusive families had no relief from their child-rearing tasks and that only 6 percent of those abused or neglected children received child care.

NEA strongly supports legislation which would establish and fund programs aimed at eliminating abuse of children at all ages. We believe that legislation supportive of child care services would be a positive step in helping to alleviate the growing problem of child abuse in the United States. At the same time, we recognize that child care centers may not always be the safest harbors for our children's health and well-being. The current scandals involving sexual and physical abuse of children in centers in various parts of the country prove that centers must have a set of standards which govern their structure and operation.

Ongoing parental involvement is a must as well. NEA sees a key role for the Federal Government in helping States and localities to establish a basic level of standards for privately and publicly supported child care centers alike. We must work to ensure our youngster's physical and emotional well-being.

Mr. Chairman, and members of the committee, it is clear from this short overview that a comprehensive national policy on child care is long overdue. We at the NEA believe firmly that the Federal Government should play an important role in aiding States and localities, as well as parents, in developing quality care programs that are accessible to all families.

In conclusion, Mr. Chairman and members of the committee, the National Education Association appreciates this opportunity to present its views and recommendations on this important social concern. NEA stands ready to work with you in pursuing the goal of quality care for our children and for our family members in need.

[Prepared statement of Warlene Gary follows:]

PREPARED STATEMENT OF WARLENE GARY, ASSOCIATE DIRECTOR OF GOVERNMENT RELATIONS, NEA

Mr. Chairman and Members of the Committee:

The National Education Association (NEA) -- representing 1.7 million of this nation's public school teachers, educational support personnel, and higher education faculty in every state of the Union -- is pleased to present its views on child care. We commend you, Mr. Chairman, and the Select Committee on Children, Youth, and Families, for sponsoring these hearings to gather recommendations on the direction our nation should follow to ensure solutions for this critical national need.

NEA recognizes the important contribution that a strong foundation of early childhood education can mean for a young person's intellectual, physical, and emotional development during the school years. This recognition is reflected in our recently released NEA Blue Ribbon Task Force on Educational Excellence report 'An Open Letter to America On Schools, Students, and Tomorrow,' which recommends that developmental education of students should begin at the age of four and should preceed kindergarten.

While NEA's comments today revolve around the needs of America's children, it should be noted that NEA supports the concept of care for other family members such as elderly relatives as well. It is well known that our population is aging, and that women, the traditional caretakers of the elderly and infirm members of our extended families, are continuing to enter the workforce in greater numbers. There is a vacuum of services which our society must address. Extending the concept of dependent care to all members of the family is our ultimate goal.

NEA Support for Child Care Longstanding

The NEA has long supported quality, universal child care for this nation's young. We fought hard for passage of the Comprehensive Child Development Act of 1971, and have consistently supported federal legislative initiatives which lend support to states and localities to provide this most vital service to our nation's youth and families.

The appendices contain NEA resolutions on the subject which were passed by the 1984 Representative Assembly, NEA's highest policy-making body. NEA's concern with quality child care includes pre-school youngsters and latchkey children -- those school age youngsters who are left alone before and after school.

Why the Need for Child Care

Statistically, the case for child care has been made repeatedly over the years. A few figures highlight the need for a comprehensive solution to the problem.

* Today, nearly 7 million children 13 years of age or younger, more than one in six - may be going without adult supervision for part of the day;
* Many of these youngsters live in one-parent families where the parent works;
* Often these children live in housholds headed by a single female whre they are more likely to live in poverty than are those in two-parent families;
* By 1990 --

the U.S. will have roughly 23 million children under the age of 6, and 29 million aged 6 through 13;
about half of preschool children and nearly 60 percent of school-aged children will have mothers in the workforce;
more than 4 million children than at present will need full-time child care.

Early Childhood Needs

NEA believes the public schools should be involved in the early childhood education of children. We recognize that these early formative years for a child are those on which the foundation for the remainder of his or her academic achievement rests. It is therefore fitting that the local public schools which are generally neighborhood-oriented be utilized for programs in child development, child care, and special education. The federal government has responsibility for providing incentives and assistance to local school districts to develop programs that utilize trained and certified personnel.

These child care programs must be developed with strong parental involvement, and considering youngsters' physical, intellectual, emotional and social needs. They must as well take into account the children's cultural and ethnic backgrounds with great attention paid to the children's family ties and values. And we believe that such programs must be readily accessible to handicapped children.

School-Age Children Need Care Too

Care for our youngest children is vital, and so is the need for pre- and post-school care. Often these young students -- who are sometimes treated as adults even though they are still youngsters -- must spend morning and evening hours alone and unsupervised. Euphemistically refered to as latchkey children, they are lonely, and frequently at risk. Pre- and post-school care should be part of comprehensive plan that is developed for our children. NEA believes that such programs should include the opportunity for children to participate in study-skill sessions and counseling and guidance, in addition to recreational activities. Many communities have developed school-based programs which should be encouraged by all levels of government. In addition, there should be a special focus on schools or communities with large numbers of single parents and where both parents work outside the home. The House-approved School Facilities Child Care Act, calling for the utilization of unused school facilities for after school care, is a step in the right direction to providing badly needed care for those children with working parents. Utilizing otherwise unused public school buildings after hours, during holidays, and during school vacations makes for sound social and fiscal policy. We urge enactment of this legislation.

Child Care Costs High

The costs to parents of our current and inadequate patchwork quilt of child care services according to figures compiled by the Children's Defense Fund this year, are high:

- The average cost for infants taken care of in groups or centers is between $3,000 and $5,000 per year
- For children between the ages of 3-5, average cost of

group care is between $2,200 and $3,200 per year

- Care for school age children runs on the average of between $10 and $50 weekly.

Availability of child care services is a major hindrance for parents and costs can often be more prohibitive, especially for lower-income families. Clearly private, for-profit care must not be the only alternative for our nation's families.

Leadership at the national level is critical to meet this unmet challenge. Although we have seen encouraging signs from the Congress, including the creation of this very Committee, the message coming from the White House since 1981 can only be read as most discouraging. President Reagan, as head of an Administration which calls itself pro-family, has nonetheless presented no new federal inititiatives for child care services--which would in fact aid millions of families. Rather, the Reagan Administration has done harm to the one program at the federal level - Title XX Social Services Program - which has helped literally millions of families over the years.

The Reagan Administration in FY '82 proposed placing Title XX into a block grant and cutting its funding by more than 20 percent. In addition, the block grant eliminated the federal requirement that $200 million in Title XX funds be set aside for states to spend for child care alone. The block grant also dropped the requirement that states supply $1 for every $3 in federal Title XX money received. The Administration attempted to slash funding for Title XX in the ensuing years as well, fortunately without success. However, initial cuts made in the program in 1981 pared away enough funding so that by FY '85, Title XX funds remain at $600 million below what they would have been had no scalpel been applied to the program at the beginning of the Reagan Administration.

Child Care A Health - Perhaps a Life-Saver As Well

In addition to supporting a comprehensive approach to child care services based on the well-being and education it can help bring to our youngsters, the NEA cites another more serious need for such services. Studies have shown that child care services often have proven effective in protecting children from physical, sexual, and emotional abuse, as well as neglect by parents. This is corroborated by a National Center on Child Abuse and Neglect study showing that in more than one quarter of the 600,000 child abuse and neglect cases reported in 1980, abusive families had no relief from their childrearing tasks, and that only 6 percent of those abused or neglected children received child care. NEA strongly supports legislation which would establish and fund programs aimed at eliminating abuse of children of all ages. We believe that legislation supportive of child care services would be a positive step in helping to alleviate the growing problem of child abuse in the U.S.

At the same time we recognize that child care centers may not always be the safest harbors for our children's health and well-being. The current scandals involving sexual and physical abuse of children in centers in various parts of the country prove that centers must have a minimum set of standards which govern theirstructure and operation. Ongoing parental involvement is a must as well. NEA sees a key role for the federal government in helping states and localities to establish a basic level of standards for private and publically-supported child care centers alike. We must work to ensure our youngsters' physical and emotional well-being.

Mr. Chairman and Members of the Committee, it is clear from this short overview that a comprehensive national policy on child care is long overdue. We at the NEA believe firmly that the federal government should play an important role in aiding states and localities, as well as parents, in developing quality care programs that are accessible to all families.

Funding Child Care Services

NEA stands solidly in favor of all three levels of government working together with local communities to provide needed child care services to families regardless of income.

A report prepared this year by the House Subcommittee on Elementary, Secondary, and Vocational Education of the Committee on Education and Labor showed that 50 to 80 percent of parents would use child care options if they were available. The report also cited the fact that funding sources for child care at the state and local levels have been drying up in the past three years.

For example, in New York State, up to 12,000 children were eliminated from child care because of the lack of public funds between 1981 and 1983. In Illinois, some 10,000 children have been cut from such service.

Clearly, the states and localities cannot do it alone, in particular during this period when federal cutbacks in a myriad of programs are adversely affecting states' and localities' ability to deliver a decent level of services. 'A Children's Defense Budget,' prepared by the Children's Defense Fund in 1984, showed that since 1981, 24 states have slashed funds for training child care workers, 33 have lowered standards for the federal child care program under Title XX, and 32 have reduced the number of child care staff.

There is a role for the federal government and we believe it extends beyond the single largest federal expenditure in this area, the dependent care tax credit, used now by some 5 million families. While we support this credit, we believe that it must be increased to help those families at the low end of the economic ladder where needs are the greatest.

Conclusion

In closing, Mr. Chairman and Members of the Committee, the National Education Association appreciates this opportunity to present its views and recommendations on this important social concern. NEA stands ready to work with you in pursuing the goal of quality care for our children and our family members in need.

Chairman MILLER. Thank you.
Dr. Kowash.

STATEMENT OF ROBERT KOWASH, EARLY CHILDHOOD LEARNING CENTERS, INC.; MEMBER, NATIONAL ASSOCIATION FOR CHILD CARE MANAGEMENT

Mr. KOWASH. Mr. Chairman, members of the committee, ladies and gentlemen, I am testifying this morning on behalf of the National Association for Child Care Management. As a brief overview, the National Association of Child Care Management, or NACCM, is comprised of the private and proprietary providers of center-based care. There are over 300 NACCM members, and they range in size from one child care center that is owned and operated by a single individual, to the major conglomerates that operate hundreds of centers nationwide, as well as companies whose own perceptives have generated such innovative services as nonprofit crisis nurseries and networks of family day care.

Each member is in the business of providing quality licensed child care for America's children. Much of what was said by the NEA representative, we also stand for and we want to suggest also that we feel that the Federal role is to help States and local communities to provide the best possible quality care for our children.

I want to deviate just a little bit from our prepared text and perhaps give you an idea of how we see child care forming in the United States. I have been with the ECLC learning centers for over 15 years and the problem of child care has become very complex. I visualize it and try to understand it in the role of today's American woman. Today's woman is contributing and playing a vital part in America's society.

We have talked about having grandparents watching children, but as Mrs. Johnson and Mrs. Hutchinson have suggested, as grandparents, they have a vital role to contribute to society. I also thought that what would we do if astronaut Ride and astronaut Resnick had children, should they be home watching their children or should they be riding in space?

I think that the mobility of women today has changed the child care needs. No longer is grandmother or aunt around the corner. The daughter may be 300, 500, 1,000 miles away and has to rely completely on good child care facilities to provide the care for that child.

With ECLC learning centers, we have changed from a nursery-school concept to a total child care development program. We are working with employers that are seeking good child care for their employees; we are working with low-income families who need child care, just as well as the middle class and above; and we have professionals that really try to find child care positions—I think it was referred to as "units" at one time. I think in many of the Government agency brochures, they discuss it as "slots," so I don't know, units, slots or placements or what-have-you. Women today are calling before their children are even born to see that their child has a place in the various centers.

So I think today that we have a totally different picture of child care than we had even 15 years ago. I never dreamed of the day that I would see father unemployed and the mother working to keep the family because the father lost his job. So we have a lot of two-parent families that are working today because of need. We have many single-parent families that have to be working because of a runaway father or a deceased parent or what-have-you. So if we can understand child care today in a complex society that we have, I think that we can get a better grip on what the Federal role should be with this problem.

I want to commend the committee for tackling such a complex problem. There isn't a panacea. There isn't one solution for the entire problem. There are many needs and the many needs are as diversified as our Nation.

We had talked about private centers and I think parents have a right to send their children to private centers. They have a right to send them to parochial centers. They have a right to send them to profit, to nonprofit, to public schools and to private schools, but I think that our Federal role must ensure one thing. And as I have indicated, the changes that have occurred in the last 15 years, there is one that has not changed, and that is to ensure the health and the safety and the welfare of that child.

The NACCM wants to suggest three very important items that we would like to have you consider for the record. We would like to recommend that serious consideration be given to Federal incentives to ensure that all facilities that care for children in groups are licensed. We support State licensing and adequate funding to monitor and enforce licensing standards. Without enforcement of licensing standards, we are perpetuating a disservice to America's children. Importantly, licensure protects, or at least provides minimum standards for the health and safety of children in group care.

Second, we feel that the child care tax credit and the dependent care assistance plans are two effective examples that can encourage the work force participation, stimulate worker productivity and support the private sector initiatives to meet the child care needs of America's working families.

We strongly support Congressman Conable's proposal to target the greatest dependent care tax credit benefit to those families in need by increasing the credit to 50 percent for taxpayers with incomes with less than $10,000. We also encourage you to provide some kind of employer tax credit. ECLC learning centers, which I have directed for the past 15 years, has worked very, very closely with many industries, businesses, companies, hospitals, and so forth and I would assure you that if there isn't some incentive for employers, they are not going to provide child care benefits for their employees.

So we do feel that the dependent care assistance plan can be an asset for employees that are out there in the companies and businesses that have a high incidence of women employees.

Finally, we believe that the appropriate foundation for child care is in place. To improve the overall child care opportunities for the future, we need to focus our efforts on refining the programs that we already have in place. I don't think we need new packages. We need to refine those programs that have been successful for us.

We have talked about Head Start Programs and I would concur with Mrs. Johnson and Mrs. Hutchinson that Head Start really put child care on the map, but it didn't go far enough. I am not proposing any changes in the Head Start Program, but the child care program itself gave us an idea of what can be done with the young minds of our children of America. I really feel that if the Federal Government wants to play a strategic role in this critical problem that everyone knows is ahead of us, then we feel strongly about licensing standards in all of these centers that receive Federal subsidies. We also feel that the dependent tax credit, as Congressman Conable has recommended be set in place and provide some type of employer incentive tax credit to provide child care for their employees.

I thank you for your time and, again, I appreciate you tackling such a very complex problem that we have out there in society. Thank you.

[Prepared statement of Robert Kowash follows:]

PREPARED STATEMENT OF DR. ROBERT KOWASH, EARLY CHILDHOOD CENTERS, INC.

The National Association for Child Care Management (NACCM) is pleased to testify before the Select Committee on Children, Youth and Families today. We commend the Committee for providing this critical opportunity to address in a global sense policymaking for child care services in America.

Child care needs in the U.S. today do not even remotely resemble the needs of just 20 years ago. In the past, child care initiatives in our country have been represented by sporadic attempts to address temporary, event-specific needs for child care. Recently, however, the U.S. has experienced profound changes in the contemporary family with all indications that this trend will continue. For the first time in history, unprecedented numbers of parents are currently working or seeking employment. As a result, two-paycheck families have become the rule rather than the exception, with statistics indicating that, in 1982, fifty percent of all wives were employed or seeking work outside the home. Additionally, 60% of all women in the workforce have children, and one out of every nine working mothers is the sole supporter of the family. This increase of women in the workforce brings new challenges and new levels of interest and concerns to the home and workplace. Even though families have decreased in size over the past decade, six million children under the age of 6 have mothers in the workforce. Thus, quality work-related child care is recognized by employees and employers as an important aspect of family and work life.

The child care that we are focusing on today was not required in the past. In the 1960's, children of lower to middle incomes were in half-day enrichment programs called nursery schools. Fifty percent of the licensed child care spaces now provided were unavailable because the child care business, as we know it, did not yet exist. Today, in 1984, we see for-profit child care companies as the fastest growing, most need-driven aspect of child care. The resources are available to address a wider segment of families with different income levels if several specific discriminatory aspects of child care policy are addressed by Congress.

As part of our comments, we would like to clarify who we are and what our members do. The National Association for Child Care Management (NACCM) represents the private, proprietary providers of center-based child care. The 300 NACCM member child care companies range in size from one child care center that is owned and operated by a single individual to major companies that operate hundreds of centers nationwide, as well as companies whose own perspectives have generated such innovative services as non-profit crisis nurseries and networks of family day care homes. Our companies also provide leadership in joint partnerships to provide child care as an employee benefit to businesses, hospitals, and corporations. As an industry, for-profit child care centers employ over one-quarter of a million individuals. Each member is in the business of providing quality, licensed child care for America's children. NACCM members' facilities, most of which are designed and built to provide a safe and stimulating environment for young children, are located where young families who provide the basis of the nation's employment force have chosen to live. These centers care for infants, toddlers, preschoolers and school-aged children by providing corporately devised curricula and programming to enhance the educational and social development of young children individually and within groups. Based on a survey of our membership, the average licensed capacity for a NACCM center is 94 children. All of our members enroll children between the ages of 3 and 5 years; 70% of the centers provide before and after school care, and over 60% offer care for children under 2 years of age.

Our members' revenues depend primarily on parents for tuition fees; however, NACCM member centers include enrollments subsidized by government sources from 0 to 75%. With the diversity described above, our members possess four basic, uniform characteristics. They are organized on a for-profit basis, pay taxes at the local, state and federal levels, are licensed by the states in which they operate, and are committed to the provision of quality child care services.

As an association, NACCM supports state licensing and adequate funding to monitor and enforce licensing standards. Without enforcement of licensing standards, we are perpetuating a disservice to America's children, parents and child care providers. Importantly, licensure protects or at least provides minimum standards for the health and safety of children in group child care. We recommend that serious consideration be given to federal incentives to ensure that all facilities that care for children in groups are licensed. This is not to say that requirements should be uniform for all types of care, but all states should be responsible for developing appropriate regulations, given their geographic location and specific needs. In our opinion, it is irresponsible for states to focus their legislative and regulatory efforts solely on private facilities, most of which -regardless of for-profit or non-profit status - have been built to care for children, while exempting operations that are utilizing marginally useable space which has been minimally adapted to child care needs in buildings constructed for other purposes such as YMCA's, YWCA's, churches, etc. The children in these facilities require the same services and have no different needs from children being cared for in private centers. If you believe, as we do, that state regulations have been developed with the best interests of children being considered, all facilities that care for children should be licensed.

Related to this issue is the current trend toward registration of day care home facilities. Registration is a spurious attempt to assure parents that the home environment has been safeguarded for children. If some type of health and safety standard is not mandatory and enforced, we mislead parents and endanger children's welfare. Even in the best of circumstances, a home transformed into a group child care setting during the day fails to meet the quality of child care centers specifically designed to provide an environment for children. We would recommend that federal dollars - be they Child Care Food Program, Social Services Block Grant or Dependent Care Tax Credit - be utilized only in regulated facilities and that state regulations be extended to all formal and informal settings, regardless of location or affiliation. We realize that extended state licensure requires additional dollars. However, we see opportunities for allocation of additional money to the Social Services Block Grant which we would recommend be earmarked for reimbursement to providers for expanded day care services, as well as financing the additional monitoring of those facilities previously exempt from licensing. Rather than using Social Services Block Grant monies to fund research programs, why not, if the need is so critical, limit the use of monies to purchase additional quality care in licensed facilities. While we all know of particular child care programs with long waiting lists, our industry data indicates that average occupancy rates across the for-profit sector range from 70 to 75%. We have no reason to believe it would be any different in non-profit facilities across the country. From these occupancy rates, we can project that probably half a million children in need of subsidized service could be served tomorrow in existing facilities. Using Social Services Block Grant funds to take advantage of the licensed spaces currently available seems like the most immediate and appropriate use of any additional federal support.

An incentive for increasing for-profit participation in the Social Services Block Grant would certainly be elimination of prohibitions and discriminatory legislative requirements. For example, in at least two states, Georgia and New York, for-profit entities are specifically excluded from SSBG participation. This is a clear impediment to serving eligible,needy children in these states.

Additionally, the structure of the Child Care Food Program (CCFP) as currently mandated limits CCFP assistance to for-profit centers to those centers that meet specified enrollment requirements. While limiting for-profit centers' participation to those whose monthly enrollments consist of at least 25% Title XX beneficiaries, the CCFP reimbursement is guaranteed to participating non-profit centers regardless of the number of Title XX beneficiaries enrolled. This different treatment for for-profit and non-profit providers is not only discriminatory, but represents a disservice to parents, children and providers. Families do not select child care services by virtue of their tax structure. There are a host of qualifications on which parents base selection of appropriate child care arrangements, but corporate tax structure has certainly never been among them. This "25% rule" results in funding needy and non-needy children in Title XX contracting centers, while leaving other needy children ineligible because they are not congregated in the Title XX child care center. If the need to focus additional services to lower income children is so acute, it appears the time has come to strengthen the CCFP traditional emphasis on needy children. By allowing CCFP money to follow the child in any licensed facility, regardless of its structure, the program would ensure that CCFP monies would be targeted to food services for needy children. Although the recordkeeping and reporting responsibilities would increase, NACCM members would be willing to accept that burden if they could be assured that more children with the greatest need had the opportunity to benefit from the CCFP in whatever licensed facility the parent chooses.

Discrimination and use of federal dollars for child care services also relates to another growing element of activity - that of information and referral systems. NACCM strongly recommends in the best interest of children, parents and providers, that all referrals be limited to licensed facilities that meet applicable local and state standards. The intended purpose of referral systems is to provide local options for parents seeking child care, not to favor day care homes over center-based child care as appears to be the case in a number of locales. Day care homes are recognized as businesses and should be organized as businesses with at least a business phone and a business number. This one organizational tool would allow day care homes a free listing in the telephone Yellow Pages, thus their services would be accessible through the same source as everyone elses. Federal efforts and limited federal dollars could certainly be better utilized with more direct impact on children needing quality child care arrangements. Why spend valuable federal resources on services that benefit only a few select neighborhoods when there are several options to benefit larger numbers of children?

The child care tax credit and dependent care assistance plans are two examples of extremely effective economic measures that encourage workforce participation, stimulate worker productivity and support private sector initiatives to meet the child care needs of America's working families. NACCM wholeheartedly supported Congressman Conable's proposal to target the greatest dependent care tax credit benefit to those families most in need by increasing the credit to 50% for taxpayers with incomes less that $10,000.

Furthermore, NACCM supports the concept of refundability, but evidence that refundability is truly a positive means to assist those most in need has been discouraging. We recognize that Congressional responsibility to ensure economic stability and lower deficits restrained activity in this area. With that in mind, NACCM considers the status quo of the dependent care tax credit as more acceptable than the proposed alternatives.

Another important aspect of child care in NACCM's opinion is employer related child care through Dependent Care Assistance Plans (DCAP). Although this is clearly an area where there has been limited action to date, all indications show promise for the near future. Given the fact that several aspects of Dependent Care Assistance Plans need further clarification, NACCM considers Dependent Care Assistance Plan initiatives to be thoughtful and substantial. NACCM supports legislative and regulatory initiatives that provide expanded opportunities for employees to have a choice of benefits that satisfy diverse needs, without burdening the employer with complicated procedures which may drive them away from flexible benefits. At this point, current law and plans to refine and clearly define acceptable corporate procedures may be sufficient incentives for employers. Many organizations may now prefer to be guided primarily by their unique management agenda and needs of their particular employees rather than further initiatives from the federal government. Employer related child care has the potential to support vast numbers of working parents regardless of their level of compensation.

However, to make Dependent Care Assistance Plans a reality, we must continue efforts to educate the business community to the wide range of options available to offer working parents some type of child care benefit. The child care benefit is perceived by many to be unique from traditional benefits. However, the only substantial difference between child care and traditional benefits such as health care is the fact that child care addresses employees' needs more directly than any other benefit and most employer related child care programs offer employers more opportunities for direct management of benefit costs.

NACCM believes the appropriate foundation for child care in America is in place. To improve the overall child care opportunties for the future, we need to focus our efforts on refining programs that may have been drafted to accommodate a very different population, and building on the more recent initiatives to encourage their growth. There is no one solution that will satisfy the child care needs of today's complex society. NACCM strongly believes that partnerships among all providers of child care - private, public, non-profit and for-profit - as well as adjustments to make child care programs like the CCFP more equitable, will maximize the existing child care services available and stimulate the marketplace to grow in response to the specific needs.

In closing, we would like to reinforce NACCM's position that the use of any additional federal dollars would be most effective for the purchase of child care services in existing licensed facilities.

NACCM welcomes your consideration of our comments and appreciates the opportunity to share the perspective of the private, proprietary child care companies.

Chairman **Miller**. Thank you.
Dr. Aronson.

STATEMENT OF SUSAN S. ARONSON, M.D., CHAIR, PENNSYLVANIA CHAPTER, AMERICAN ACADEMY OF PEDIATRICS

Dr. **Aronson**. Mr. Chairman and members of the committee and guests, I am Susan Aronson, the chairman of the Pennsylvania Chapter of the American Academy of Pediatrics and a consultant on day care to the Early Childhood Adoption and Dependent Care Committee of the national organization of the American Academy of Pediatrics. I appear before you today as the spokesperson for the Academy.

Although I could express my views as an advocate for children about some of the child development and economic issues I have heard discussed here by the panel today, I am going to focus on those areas where the academy has a unique opportunity to provide input to you, on the areas of special health concern.

There are three major health concerns that I will address. I have submitted written testimony which I understand will appear in the record and I will be summarizing some of the points of that testimony. Please refer to my written testimony for further detail.

The three areas of major health concern I plan to discuss are: first, the significant health implications of day care program use for children; second, the need for a national reference standard on health, safety and sanitation, and third the role that pediatricians can play in relation to day care program use.

First, there are three significant health implications of day care to consider: injuries, infections and assuring that the individual health needs of children who are using day care programs are addressed. About the risk of injury in day care: We lack adequate data. There is no surveillance system to study the extent to which injuries are occurring in day care programs.

To try to get a sense of the problem, I did an assessment of the claims data submitted over a one year period to an insurance company which provided policies for day care programs covering over 14,000 children. In looking at these data, I found that first, two-thirds of the injuries that required medical care, and therefore, were reported as an insurance claim, occured on the playground. Of those injuries that were reported, the most significant injuries which resulted in the most severe injuries were associated with the use of climbing equipment on the playground. Now, we know that many day care programs use facilities which had prior use as schools or were designed as facilities for older children. Quite commonly, the equipment which is turned over to day care programs in these facilities, or which day care programs may even purchase, is not suitable to the age group served. There is clearly a need for modifying the playground equipment and environments where children receive care to reduce identifiable injury hazards.

Next to climbers, the items associated with injury were slides and other playground equipment and certain features of doors and floors found in day care programs. Clearly, those areas which are commonly found to be high-injury areas should require increased supervision. Outdoor play time should not be break time for adult caregivers, and yet it is understandable that after the intense responsibility of caring for children in the indoor environment, the outdoors can be seen as a time to let children loose to run off some steam. Yet, it is a place where vigilence and education of children about safe ways to play is as important as lessons taught in the classroom.

We need training of day care staff. Child care is not a common sense, mother-knows-best kind of professional role. There is a lot of common sense in it, but physicians know that we have to supplement common sense with education to help parents learn how to safeguard their children. We have to teach parents about how to avoid risks and to recognize things that could potentially produce illness for their children. It should come as no surprise that caregivers who do supplement parental care professionally need training.

We need technical assistance to help child care programs which, once they recognize they have problems, seek solutions for those problems. Solutions are not instantaneously available to usually underfinanced, and often marginally managed programs.

The next area that I mentioned was that of infectious diseases. I know that you have received written testimony from Michael Osterholm, who is chairman of the Symposium on Infectious Diseases in Day Care, a symposium in which I shared the role as a planning committee member.

I want to highlight a couple points about infections, but refer you for details to Dr. Osterholm's testimony. First, day care is not dirty. It is not a place where children come to get sick and, in fact, it may actually be health-promoting in some instances. Children who use day care facilities are, on the whole, better immunized than children who receive care in their own homes. Data from the National Health Survey shows that improved immunization status is clearly a benefit of day-care participation.

From what limited studies we have, there seems to be no increased burden of respiratory disease for children who use day care, despite the implications to the contrary in articles such as the one carried in Newsweek last week. As a group, kids who are in day care from infancy to age 5 do not get more colds than children cared for at home. Although there is a shift of respiratory illness to younger ages among day care users, the research data show by age 5, both groups have had the same number of common respiratory illness. Young children have frequent respiratory infections, in the range of six to eight per year, whether they are at home or whether they are receiving care in a day care program.

The story is different for gastrointestinal disease, that is diarrhea and vomiting. There may be more than twice the incidence of gastrointestinal disease among children who use day care facilities where careful handwashing practices are not followed. We know that the increased incidence of diarrhea and vomiting can be controlled by the simple practice of adequate handwashing before feeding or food handling and after handling of fecal material by diapering or toileting. Since adequate handwashing is not well practiced by the general public, it should come as no surprise that day care workers may not be doing that important job adequately and may need help in understanding the significance of the procedure to prevention of infection.

Think honestly to yourself how many of you, or your family members, are careful about washing your hands after toileting, before eating or handling food. Thank about this the next time you put your hands anywhere near your oral surfaces to innoculate yourself with whatever you have touched or have contacted with your hands. We really need to help everyone understand why handwashing is important.

There are some specific infectious disease problems in day care which have public health implications. Hepatitis A, and hemophilus influenza type b, are of concern for example. They are special disease problems with management solutions in day care that need to be used.

Many physicians are aware of an apparent increased use of physician services by parents whose children are in day care, but this is not because children in day care are sick more often. I am a practicing pediatrician and I can tell you that my phone rings busily at the hours between 5 and 7 weeknights and all Sunday evening, getting calls from parents who are concerned that their children may not be well enough to be allowed to attend their day care programs the next day so that the parents can go to work. Parents who use day care call and bring their children more often to physicians when their children have relatively minor illnesses because they want them made well enough not to be excluded by the day care programs who are trying to protect the other children from being in contact with ill children. The numbers of visits to physicians tend to make those children appear to be more ill than they really are.

There are certain needed actions for prevention and management of infectious diseases. First, we need a national standard on health, safety, and sanitation for States, day care agencies and informed parents to use. We need inspection of day care programs without exception. There is nothing about being run by a religious facility or having nonprofit status that in any way protects a program from incurring safety, sanitation risks. Inspection by trained personnel is needed to identify and suggest ways to reduce health and safety risks. Parents simply cannot do this job. It is true that parents are the first line of defense in terms of observing for quality in day care, but parents often do not recognize specific hazards. We have to teach them what to look for and have qualified personnel who inspect also. We are asking a lot of young parents who are managing jobs, managing their own and their children's lives and their marriages to also be the monitors of day care facilities.

We need State sanitation codes special to day care. Right now, across this country, what sanitation codes exist are not usually appropriate for day care or even children's environments. If any code is used, is is often one designed for use in restaurants or boarding homes. In the State of Pennsylvania, there is no sanitation code that is used as a basis for inspection of day care facilities and no inspection is routinely done by a health professional or sanitarian. There simply isn't enough manpower and nobody is doing it.

We need surveillance, reporting and standards for sick care for children. We need to have day care personnel develop site-by-site health policies with the help of improved interaction between day-care professionals and health professionals, from both the public and the private sector. We need training, technical assistance and research to help day care staff do a good job in this area.

Now, I will address the area of individual health needs for children. Day care must be individualized, even more so for young children than older children because the young are very vulnerable and any special needs must be addressed to make sure that they can achieve their potential. The asthmatic child; the child with developmental delays, or the child who has a nutrition, hearing or vision problem must have planning which is appropriate to that child's needs.

Sick child care planning is something which I mentioned before. With six to eight respiratory infections a year on average, parents need to be helped to plan for alternative care for their children as an inevitable need. We need to make sure that what care we plan for sick children is not inappropriate to the child's needs, that is, not simply addressed to the adult's need to go to work.

Children should not be punished when they are ill by being sent to be cared for by someone whom they do not know in a strange environment or left alone to care for themselves. Yet this is often done because there is no alternative for them to receive care by familiar caregivers in a more nuturant setting.

Now I want to return to a point I made earlier the need for a national reference standard and training of the inspectors to administer such a standard. Currently, States have vaguely worded standards, often administered by people who have no expertise in health, safety, sanitation issues. In general, State day care inspectors are well-meaning, but simply do not have the training that is necessary to recognize health and safety risks and to suggest changes to remove those risks.

There is no basis right now for health and safety training of the inspectors who inspect day care facilities, nor basis for self-inspection by day care operators who might want and who often do want to do a good job but simply don't know what they should be looking for to make sure they avoid significant risks.

We need to have standards set at a national level because there simply is not enough expertise to go around to do this on a State-by-State basis 50 times. Let me assure you, as someone who has participated in State day-care regulation development, it is a long and tedious process which requires education of all who are involved about the balance between risk management and the practical necessities of running day care programs with what resources are available.

A national standard will have to be interpreted at the State level and a State and local educational process will have to occur, but we must first develop the national reference standard which defines the technical issues for States to use to revise their licensing and inspection requirements. The technical information is currently known to too few. Technology transfer requires the definition of the standard and resources to train people, that is people who will do the training and money to pay for it. We will also need resources to upgrade the quality of child care programs to the level of the standard by correcting those risk situations that are found.

The roles of pediatricians in day care are varied. At the very front line, pediatricians have a role to counsel parents about alternative forms of day care that are available and how to match the right kind of day care to the particular needs of each individual child, and for some families, to counsel them that perhaps day care is not appropriate at this time for their child.

Another role for pediatricians is to communicate with day care programs, with providers and parents, to serve as technical consultants helping to interpret standards and recommendations and to be involved as problem solvers when illness problems and safety problems occur; to help provide preservice and inservice training for staff. Certainly, the CDA program is an excellent approach to improving the quality of care, but there has not been enough health professional involvement in the CDA program. At this time, the criteria for the credential are vague in the health areas.

There is a role to be played by pediatricians in health policy development at the local and also at the community social conscious level. As advocates for children pediatricians can promote the need for adequate funding of child care programs.

Personally, I have been involved in day care program issues for over 17 years, my interest began as for many others, with the birth of my first child. As a parent, as a pediatrician, as a trainer of day care and licensing staff, and as a child and family advocate, my experience has shown me that day care is as varied as the individuals who work in it and use it.

By and large, those involved in operating, licensing and using day care want good things for children. They struggle against incredible working conditions in underfinanced, understaffed, and technically orphaned arrangements. Exceptions alarm us and move us to long overdue action to support the network of day care service which is in a fundamental way supporting family life and this Nation's economy.

Thank you for your focus on these issues. It is high time our Nation invested in developing our most important resource by improving the care of our children.

[Prepared statement of Susan S. Aronson, M.D., follows:]

PREPARED STATEMENT OF SUSAN S. ARONSON, M.D., F.A.A.P.

Mr. Chairman, members of the Committee, I am Susan S. Aronson, M.D., Chairman of the Pennsylvania Chapter of the American Academy of Pediatrics (AAP) and I am pleased to appear before you today as a spokesperson for the Academy. My testimony will focus on three major areas: 1) significant health implications for children using day care, 2) the need for a national reference standard on health, safety and sanitation in day care programs, and 3) the role of the pediatrician in day care.

SIGNIFICANT HEALTH IMPLICATIONS FOR CHILDREN USING DAY CARE

It should come as no surprise that there are health problems in struggling, underfinanced, yet highly needed child day care programs. Many of the health problems are the same as those experienced by children cared for by their parents in their own homes. Additionally, there are those health problems which result from the interaction of children in groups. The three health problems of greatest significance are: INJURIES, INFECTIONS, AND MEETING THE HEALTH NEEDS OF INDIVIDUAL CHILDREN.

INJURIES

No national injury surveillance system exists for day care analogous to the National Safety Council's surveillance of school injuries. Therefore, it is difficult to obtain reliable data on the incidence of injuries in the day care setting. One currently available data source is insurance claims. In 1981-82, Forrest T. Jones & Company, Inc. administered 533 accident insurance policies for day care programs across the nation under a contract with the National Association for the Education of Young Children. Some of the insured day care programs included many sites, in several states, while others were individual day care centers. Family day care homes were included as well, although interestingly enough, all 422 claims came from centers. In all, the policies covered 14,502 children at an annual premium of $2.75 per child. Although the data are neither complete nor a statistically valid representation of day care as a whole, they are the first available compilation of the status of injuries in a large day care population.

When a geometric progression similar to that developed by the U.S. Consumer Product Safety Commission was applied to the claims data, products most frequently associated with the most severe injuries were identified. The top six hazardous products are climbers, slides, hand toys and blocks, other playground equipment, doors, and indoor floor surfaces.

[Table 1]

Products Associated with Most Frequent, Most Severe Injuries

Product	# of injuries	Sum of injury/severity ratings
Climbers	48	2,303
Slides	22	944
Hand toys, blocks	28	880
Other playground equipment	11	700
Doors	14	690
Indoor floor surface	12	660

Climbers not only had the highest sum of injury/severity ratings, their sum more than twice outranked the sum of each of the next ranked products. For those injuries where the location of the accident was specified, nearly two thirds occurred on the playground.

Five immediate implications emerge from these injury data:

1. Climbers and slides used in day care should be modified or eliminated to reduce injury. In an extensive study, the U.S. Consumer Product Safety Commission found climbers and slides to be associated with a high frequency of severe injury in the general child population. [Ref.: USCPSC, 1978, 1981] The Commission recommended a number of measures to reduce the hazardous use of these play structures:

   - making the structures closer to the ground,
   - mounting them over loose fill materials such as pea gravel, pine bark or shredded tires,
   - spacing them far enough away from other structures and child traffic patterns to prevent collisions,
   - covering sharp edges and exposed bolts,
   - limiting numbers of children using the structures at one time, and
   - teaching children how to "Play Happy, Play Safely" as suggested by the program of the same name developed by the U.S. Consumer Product Safety Commission.

2. Activities associated with high injury/severity rates, such as climbing and block building, require closer supervision than activities with lower injury/severity ratings.

3. Certain architectural features of child care facilities like doors and indoor floor surfaces need special attention to reduce risk of injury.

4. A systematic study of injury in day care programs should be undertaken as a well planned, prospective epidemiologic effort. The results of the study should be used to inform day care personnel about high risk areas and to develop preventive strategies.

5. Training and resources to change hazardous conditions must be made available.

INFECTIONS

Why are children in day care settings so vulnerable to infectious disease? Day care involves many close physical interactions among children and adults: toileting, diapering, multi-meal and snack service, shared object handling, affectionate kissing, touching, lap sitting, use of water tables and shared use of moist art materials. All these activities provide excellent transport routes for infectious disease agents. In addition, there is the normally increased vulnerability of young children to infectious disease resulting from (a) lack of immunity from prior experience with common agents and (b) anatomical relationships of small structures like the middle ear and the eustachian tube. In combination, the vulnerability and habits of young children make them hospitable hosts for infectious disease.

Considerable public attention has been stimulated by articles in medical journals about outbreaks of enteric infection associated with day care programs.

Unfortunately, these data about outbreaks of infection in day care have been inappropriately used to suggest that there is a greatly increased risk of infection to children in child day care. The risk of infection can only be assessed by studies of the incidence of infectious disease. Presently available research data are not adequate to formulate conclusions on risk of infection in day care. To provide a forum for an objective discussion on these issues, a symposium on management and prevention of infections in day care was convened in June, 1984 by a committee of infectious disease experts and day care leaders, including myself. At the symposium, over 500 day care professionals, health care professionals and public health experts reviewed those situations where disease transmission may occur, as well as measures which prevent infectious disease in the day care setting. The Symposium's Chairman, Michael Osterholm, Ph.D. plans to present the findings of this Symposium to the Select Committee.

Although focusing on a crisis-oriented outbreak distorts perceptions of the risk of infectious disease, studies of outbreaks are helpful in devising control measures. Recent studies of enteric disease problems in day care include reports of community-wide outbreaks of hepatitis A among adults which were traced to contact with infant and toddler users of day care. [Ref.: Hadler et al, 1982] Hepatitis A outbreaks are most likely to occur in association with large centers in those open more than 15 hours per day and in those serving children under two years of age. These outbreaks can be halted by giving gamma globulin to all the children and staff in a day care center where a case has been found in a family or staff member of a day care child. Outbreaks of other enteric diseases which have been studied in day care include diarrhea due to Shigella, Giardia, Rotovirus, Campylobacter and Clostridium difficile. Most of these are organisms for which a small innoculum is required to cause infection. Diarrheal outbreaks occur most commonly among children less than two years of age. [Ref.: Pickering and Woodward, 1982; Kim et al, 1983] One of the most effective measures to control diarrheal outbreaks is the institution of appropriate handwashing routines by children and staff. [Black, 1981]

A much less common, but serious outbreak problem is reflected in reports of invasive disease caused by Hemophilus influenzae type b among day care populations. [Ref.: Granoff, 1980] Because Hemophilus influenza type b infection is associated with serious diseases (meningitis, epiglottitis and cellulitis,) each case raises concern for potential contacts. While it appears that the risk for secondary cases is less for group-mates in day care than among household contacts, it is still higher than found in the general population. [Ref.: CDC. 1982] This concern has led to recommendation of control measures to be used in day care contacts of children with infection caused by Hemophilus influenzae type b.

A new vaccine has been demonstrated to be effective in reduction of invasive Hemophilus influenza type b disease in children 18 months of age or older. When this vaccine is licensed and marketed, its use may be routine for children in day care. Another control measure being studied is the use of prophylactic antibiotics (refampin) to eliminate carriage of H. influenzae, type b for children less than four years of age in a day care program where the disease has occurred. This use of prophylactic antibiotics is currently considered controversial, awaiting additional research data for final resolution. [Centers for Disease Control, 1982, 1984 and American Academy of Pediatrics, Committee on Infectious Diseases, 1984] Because rifampin is both expensive and difficult to obtain in pediatric dose form, considerable effort is required to carry out a prophylactic regimen. Whether or not rifampin is used, careful, reassuring instruction of parents and day care staff about the nature of the problem is required when an exposure has occurred.

Prevention of infectious diseases is a health benefit of day care attendance. Nationally, children in day care programs have higher levels of complete immunization than children of the same age in the population as a whole. [Ref.: Hinman, Alan. 1984] In Pennsylvania, a day care immunization program was associated with a rise in the proportion of children with complete immunization from 63 percent to 95 percent in 1980-81. [Ref.: Gens, 1983]

PREVENTION AND MANAGEMENT OF INFECTIOUS DISEASES IN DAY CARE

Needed actions fall into 5 areas: 1) changes in regulations and social policy; 2) policies for day care operation; 3) needed interactions between day care service providers and health professionals; 4) implications for training and education; and 5) research. Detailed recommendations in each of these areas will be contained in the findings of the Symposium previously mentioned. However, some principles can be stated at this time.

1. Changes in Regulations and Social Policy: There is a great need for the development of a national standard to help states draft and revise their own regulations on prevention and management of infectious diseases in day care. This standard should be developed with input from health experts, day care professionals, parents, and employers. The Academy stands ready to participate in a working coalition to undertake this task. Some of the areas which should be included in the standard are:

   - mandatory immunization of children in day care,
   - required on-site inspections of day care facilities by health experts with technical assistance to correct any problems found,
   - elimination of exemptions from requirements for licensure where health issues are involved,
   - development of appropriate sanitation codes for day care to be implemented state by state,
   - development of surveillance and reporting systems,
   - and development of requirements for sick child care.

2. Policies for Day Care Operation: Policies for the prevention and management of infectious diseases in day care programs must be developed locally, day care site by site. These policies must balance the day care program's resources and priorities with the knowledge of health risks and counter measures. The general principles are the same for all day care programs but the details of how a day care center or family day care home will handle admission, exclusion, medication administration, management of children who become ill while in the program, notification of health authorities, etc. must be individualized for each program.

3. Interactions between Day Care Service Providers and Health Personnel: Overall, there is a need for improved communications among public health workers, day care providers and primary health care providers. This must include prompt notification of public health authorities whenever infectious disease problems occur in children attending day care programs and prompt, helpful responses of public health and primary health care providers to day care providers when contacts are

made. There should be advance planning at the local level to handle outbreaks when they occur.

4. Implications for Training and Education: The information now available on the prevention and management of infectious diseases in day care must be brought to the attention of day care providers, public health workers, health care providers and parents. What is known must be disseminated so that the energy now going into dysfunctional anxiety about infection in day care can be put to constructive, preventive action.

5. Research Directions: The natural history of illness in children who are users and non-users of day care needs to be studied to determine the extent of increased risk, if any, from day care program attendance. Specific studies must be designed to assess how family day care experience differs from that of children using day care centers. Research data is needed on special features of the day care environment which may increase or decrease risks related to specific infectious diseases.

HEALTH NEEDS OF INDIVIDUAL CHILDREN

The third and last area of significant health problems in day care is meeting health needs of individual children. Pediatric practitioners share an advocacy role with day care staff to promote wellness in individual children and to provide appropriate management for illness.

Pediatricians use periodic health assessments to maintain surveillance for early signs of correctable problems and to provide health promotion advice and services. Despite pediatric advocacy, many children do not receive preventive care as frequently as is appropriate to their age and developmental status. Data from the 1975-76 National Health Interview Survey indicated that 14 percent of children and youth did not meet the AAP guidelines for routine care. [Ref.: Select Panel Report, Vol. III] Among the children from large families and among black children, about one fifth did not see a physician frequently enough to receive adequate preventive care.

Some of these underserved children are in day care. Suitably informed and motivated by appropriate regulations, day care personnel can help connect these children with pediatric care. Day care involvement can also improve the quality of child health care. Many day care workers are concerned about child development and are aware of the interaction between physical health and developmental progress. They are generally eager to reinforce to parents the importance of routine health supervision visits, vision, hearing, anemia and growth screening. By contributing their observations of the child's behavior to other assessment data being gathered by health professionals, caregivers can help doctors shape more appropriate recommendations.

To be effective, communications between health providers and day care staff must be two-way. The physician has important information about unique features of the child's health to share with day care personnel. Day care staff have information about the child's behavior on a day to day basis to share with the physician.

CARE OF SICK CHILDREN IN DAY CARE

How sick is too sick to be in day care? The answer to this question will differ from one program to another, depending on the resources of the program and the needs of children, staff and parents. Children experience a yearly average of six to eight respiratory infections, while adults average four per year. Even with careful hand-washing practices, day care programs can expect an average yearly incidence of one to two gastrointestinal infections per person for both children and adults. Non-infectious illnesses occur less frequently, but predictably. It makes sense to plan ahead for such situations.

Prior to each child's first entry into day care, the intake process should include a discussion of program policies and parent plans for child illness. Usually, parents will want to be with their child if the child is seriously ill, regardless of the demands of other responsibilities. Parents need to inquire at work about their employer's policies on use of sick days and personal leave. Can parents use sick leave when their child is ill, but the parent is well? Is advance notice required for taking personal days?

Most working parents will need an alternate day care provider to care for a child who is too ill to attend the day care program, but not so ill that the parent must stay home from work to provide the child's care. Parents need to find a dependable adult whom the child knows and likes, someone who can be comforting and reassuring when the child does not feel well.

Key issues for the day care program to address in planning for child and staff illness include: communicability of infections, staffing demands, medication administration, consideration of parent needs, recognition and management of the symptoms of illness, and the use of health professional advice.

Exclusion of ill children from day care is expensive. The day care program may not be able to charge for days when the child is absent, although the place must be maintained. Parents must find alternative care which is usually very costly, suffer loss of pay or use limited benefits for absence from work. Employers lose productivity for employees who are absent to care for ill children or who try to juggle management of care for an ill child with work responsibilities in makeshift arrangements to avoid loss of time from the job. If practices can be refined to reduce illness among children attending day care, excluding ill children only when really necessary, money will be saved.

Family day care homes are often more flexible than centers about caring for ill children. For children enrolled in day care centers, there are some sick care and on-the-mend care programs being developed. However the need to avoid parental absence from work should not result in placement of children in the care of strangers when they are ill. When children do not feel well, they are most in need of the comfort of a familiar setting and nuturance from someone they know well. Pediatricians strive to avoid hospitalization of children because of the potential for emotional trauma this experience has for them. Plans for sick care day care must address this concern as well.

There is a need for the development of "flex-benefits" by which parents can more readily take time off to care for their own children's illnesses. Use of sick leave for sick child care should be more widely available. Additionally, options need to be developed for care of sick children in their own homes by familiar caregivers and for supplemental staffing of child care programs to permit mildly ill children to remain in their usual child care setting.

THE NEED FOR A NATIONAL REFERENCE STANDARD FOR HEALTH, SAFETY, AND SANITATION FOR THE GROUP CARE OF YOUNG CHILDREN

Few states have standards or codes for health, safety and sanitation which were specifically designed to apply to facilities which care for young children. In many instances, where a code has been developed and is in use, it was designed for older child or adult populations in settings such as schools, hospitals, hotels or boarding homes. Many of those which were written for day care applications are vague and not enforceable.

With the codes and requirements now in use, administrators and monitors who supervise programs for young children struggle to interpret regulatory statements which do not provide accurate, objective measures needed for consistent application and adequate protection in children in day care. For example, New Mexico's licensing standards for day care say, "Grounds must be kept in a safe, sanitary and presentable condition." [Ref.: "Licensing Rules, Regulations, and Standards for Child Care Facilities," New Mexico Health and Social Services Department, December, 1978.] New Jersey's say, "..., the Bureau shall also require the center to take whatever steps are necessary to correct any conditions in the facility that may endanger in any way the health, safety and well-being of the children served." [Ref.: "Manual of Standards for Child Care Centers," New Jersey Department of Human Services, January, 1981.] Providers complain and monitors are uncomfortable about capricious applications which result from each individual's attempt to safeguard children using these vaguely worded statements. The majority of day care providers and monitors have education or social service training, most of which has little if any specific health content. What they need are specific statements not now found in the majority of state regulations. These could include, for example, statements like: "Separate surfaces shall be used for food handling and diapering or underclothing changes" or "Staff shall wash their hands after each instance of diapering or toileting, and before any food handling."

In those states where technically competent inspectors regularly visit children's programs, they are rarely required to look at features of the facility which are uniquely related to the care of young children, such as toilet and diapering areas, bed placement, and playground safety. Sanitarians usually confine their inspections to the kitchen; fire inspectors do not look at playgrounds.

Gaps in standards also exist in the general health area. For example, few state licensing codes include appropriate requirements for health care of staff and children. Often missing are health requirements for staff and requirements for communication of information about the health status of children. Such information must be required in sufficient detail to provide adequate planning data for children with special needs, and information needed to determine that a child's special demands will not drain the resources of the program below the level required to provide adequate care for the other children in the group.

In 1976, the federal government undertook a study of the appropriateness of requirements which applied to day care programs using federal funds. The original intent was to revise the then existing standards (The Federal Interagency Day Care Requirements, FIDCR) and to promulgate a new code. The effort ultimately resulted in congressional action to halt the application of all federal day care standards, leaving regulation of day care entirely to states. Even though the federal standards only applied to those programs which were federally funded, the federal standards had a spillover effect on requirements for all day care.

As a part of the FIDCR study, a concept paper was commissioned from Susan Aronson, M.D. on health and safety issues in day care by the U.S. Department of Health and

Human Services. Co-authored by Peggy Pizzo and Susan Aronson, the paper included a review of health and safety risks then known to exist in day care and proposed remedies via regulation, training informational services and research. Regulation statements were suggested. Since 1976, training has become less available because of decreased funding; informational services have been limited to publication of articles in periodicals which reach only a small segment of the day care community. Many states have cut back on licensing and monitoring activities. [Ref.: Kendall, 1984] Since effective monitoring and training have been shown to improve health in day care, these changes can be expected to result in a loss in quality of day care service. [Ref.: Aronson, 1980] Current concern about transmission of infectious diseases among day care populations suggests that implementation of the recommendations contained in the Aronson-Pizzo report is long overdue.

ROLE OF THE PEDIATRICIAN

Pediatric practice has changed. Increasingly, pediatricians are involved not only in the medical care of the child, but in the ecological system in which the child exists. The pediatrician has traditionally worked with parents and children to promote healthy functioning, including the physical, emotional, cognitive and social health of the growing and developing child. Now, the pediatrician's role includes working with significant other adults who interact closely with the child and family. In this way the pediatrician contributes to the child's overall development and general well-being.

With increasing numbers of single-parent families and families with both parents in the work force, pediatricians are increasingly aware of a variety of alternative caregiving arrangements which affect the majority of children who are their patients. Effective communication among the child's pediatrician and regular caregivers is more difficult to achieve than in the past, when parents provided most of the child's care. At the individual child level, communication among parents, health professionals and day care personnel is essential to mobilize all involved with the child on the child's behalf.

A specific type of day care setting or a program can be recommended for a particular child by the child's physician if s/he has gathered some information about existing community programs. Parents need support in their search for alternatives and in fending off their guilt and anxiety about using day care. This support can be provided by a well-informed pediatrician as a part of routine health care. Once a child is enrolled in day care, there should be routine exchange of information about the child between the physician and the day care provider. The parent will usually be the conveyor of this information, but with prior approval from the parent, telephone calls and/or notes may be more efficient and effective. Appropriate topics for routine communication between physician and day care provider include: 1) current state of health and nutrition, including any special needs for management of the child in health and illness, 2) growth and development of this specific child in relation to adaptations of the day care program facility or program which might be required, 3) strengths and weaknesses of concern to the support of the family in their appropriate use of child care and health care services.

Another role for pediatricians is to provide and interpret the advice of national standards setting bodies when an outbreak of disease occurs in a day care program. By being in the pipeline of new information disseminated by the Centers for Disease Control and by the American Academy of Pediatrics to its members, pediatricians can stay abreast of the most current recommendations for handling specific problems.

Pediatricians can also contact the day care program to advise the staff about the implications for the children in the program when a communicable disease is diagnosed in one of their own patients who attends that day care program. The pediatric role also includes interactive communication with day care staff around children with behavior problems, developmental difficulties or chronic disease.

Because there are many aspects of day care with health implications, there is a need for ongoing training and preservice orientation for day care staff. In addition to being reviewed in training, the essential elements of the health component should be recorded for regular reference in the day care program health policies. One of the most helpful roles a pediatrician can play is to participate in the development of these health policies. The policies serve as guidlines for day to day operations which necessarily go on with little health professional input. As a minimum, day care program health policies should address the topics listed in Table 2.

[Table 2]

Health Policies for Child Day Care

- Staff health
- Inclusion or exclusion of children with health problems at enrollment and on an ongoing day to day basis
- Daily admission and ongoing surveillance for infection and illness
- Care of ill children
- Management of injuries, emergency preparedness and first aid
- Safety surveillance in the facility, playground and on trips
- Transportation safety for routine pick up, drop off and day care provided pedestrian or motor vehicle travel
- Medication administration
- Routine health assessments for children including information exchange among providers of health care, of day care and parents
- Nutrition, food, and formula handling
- Sanitation routines including handling of contaminated clothing and furnishings, as well as routine cleaning
- Dental hygiene practices
- Provision for bathing or swimming if appropriate
- Health promotion and education activities
- Mechanism for routine annual review of health policies by staff, parents, and health consultants.

On the community level, acting as child advocates, pediatricians can help to promote adequate funding and fees for day care, along with development and enforcement of appropriate regulations and provision of training for day care staff.

Pediatricians are advocates for children at the individual child, program consultant and community level. Although every pediatrician who sees patients has a role as an advocate for the individual child, only some will undertake working as program consultants and community activists. These roles outside the office setting often require voluntary service and a large investment of time which may be a difficult burden for a busy practitioner. However, whether paid or contributed, the investment of pediatric expertise in day care has the potential of benefiting many children.

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Chairman MILLER. Thank you very much for your testimony.

Ms. Carnes, CDA, is, what, partially federally funded?

Ms. CARNES. That is right.

Chairman MILLER. But for the training that you do for day care providers, professionals and for parents, is that also—is there some fee charged for the programs?

Ms. CARNES. There is about $6 million in the current ACYF budget to go to Head Start programs to assist them in buying CDA training from local colleges and institutions this year, and that has been the approximate funding level for the last number of years.

CDA—there is not any specific training that must occur prior to a person becoming a CDA. Most people do have to go through training and that training might average 2 years and would be available through most local colleges and institutions. The key, however, in CDA, is that the person must be able to demonstrate that they have certain competencies and skills and they demonstrate it with a group of children. It is not a paper-and-pencil test; it is a local assessment done by what is called a local assessment team, which consists of a parent/community rep, the adviser of that person who has concurred that the person is ready to enter into the credentialing process and a nationally trained CDA representative, and the individual candidate

Chairman MILLER. Is there anything else comparable to this on a national scale?

Ms. CARNES. No, there is not. You will find that most credentialing processes rely on paper-and-pencil type tests. We believe that this is not appropriate in the area of child care, given that we learn much more by seeing the person demonstrate their skills with children and that is a most unusual approach in the whole credentialing area profession.

Chairman MILLER. You also include parents——

Ms. CARNES. That is exactly right.

Chairman MILLER [continuing]. In terms of what, how to become better consumers or——

Ms. CARNES. The parents—there is a parent representative on the assessment team, plus the parents are involved in communicating with that assessment team in terms of how they have experienced that teacher as that teacher relates to their child.

Chairman MILLER. Thank you.

Mr. Piccione, on the issue of the child care or dependent care tax credit and the personal exemption, what in your mind would be the impact if you simply took the current personal exemption and converted it to a credit?

Mr. PICCIONE. It would represent for lower income families perhaps a doubled value. For upper income families, of course, they would lose some money, but I think it would represent an improvement over some of the problems present in the current exemption mechanism.

Whenever we have a progressive tax system, the value of the exemptions are regressive and played against progressivity. So a family at the highest tax level also gets the highest benefit from the child's exemption. So I think that really a credit would be a very good first step to try to equalize some of the value of the exemption.

Chairman Miller. In terms of what you have discussed this morning, what you have written about previously, and what you would like to accomplish, which is some kind of family allowance or child allowance, something like what is done in other nations, wouldn't that be the simplest way to move down that road in terms of targeting those resources, providing real increase in resources to those families that would need it most and it is sort of the most efficient use of that tax system?

Mr. Piccione. I agree. This seems to be the experience of the European nations. They find that a family allowance system gives parents a lot of confidence in raising their children. It gives them a psychological boost; it gives them a supplement in income. A family allowance is developed with the realization that in agrarian times, children were an economic benefit and in industrial times, children can be an economic strain. So, in trying to equalize this change to industrial life, the European nations instituted the family allowances.

Now, the allowances would, in the American setting, I think, have a number of benefits as well, because with the current tax system, the exemption benefits families on the high-income scale the most and it sort of peters out and disappears for lower income families with a larger number of children. With a family allowance, it would be a universal program for all children in the Nation. It would also cross the tax line, the artificial line that separates children of tax-paying families from children of nontax-paying families.

Chairman Miller. Let me take you the next step. If you made this—and in fact, that is what President Reagan did when he was Governor—he converted the exemption to a credit, to a dollar credit at the State level. That met with mixed reactions. The impact was the same, but mixed reactions.

In that case, when you get to the issue of people who then do not pay taxes, may not file tax forms, we now require people who have income in excess of withholding—income that is not withheld—to file a quarterly report and you send in your quarterly obligation to the Government. Why couldn't you have people who do not have the tax liability file the quarterly report for—if it is $1,000 credit—let's say they have one child, for their $250 each quarter and have the Government pay them that as a means of refundability.

We have heard a lot of discussion about making the child care tax credit refundable and the problems with the exemptions. It seems to me if you move it to the credit, you start moving this toward the end of the income spectrum that seems to need the most help with child care, with the raising of children and if you then moved it to a refundable portion on a quarterly basis or however you want to do that, but I think a lot of low-income families can't wait until the end—the next April, for their money to come to pay the—if you did it on a quarterly basis, it seems to me you stay within the realm of the current bureaucracy and tax setup of the country; not that that is the overriding mandate, but in terms of switching systems, I hate to see people get caught up in a new agency—and you mentioned that you could run it through Social Security, but in this case, you seem to get almost immediate transition to what you would be talking about in terms of a family allowance. You would get a targeted effort according to people's income. It would be worth it—in that regard—and you could also get some refundability out of it.

Let me just say and then comment, the tables that you provided, the current dependent—$484 to somebody making $50,000 and $167 for somebody making $10,000. If you simply doubled the current exemption; if you went to $2,000 per dependent, is it correct to say that that would become worth in excess of $800; it would become almost $1,000. It is 50 percent, right, because that is the bracket they are in.

If you changed that to a credit, they would get $1,000 off of their tax obligation and the low-income person would get $1,000 off their tax income and you would, in fact, have the targeting that we have discussed back and forth here. It seems to me that in the use of Federal resources, in terms of helping to raise children, whether those children need out-of-home child care or family child care center-based—you started to move some of those costs. For those families that don't, they may realize the benefit as their children go to college, as will other families, where, again, there is talk about a private—what do you call it—for private schools, a tax—at this point, if you had a tax credit instead of this silly exemption that we have now, you could choose whatever school you wanted. That would be the cost of raising your children.

One of the things about this committee is liberals don't always sound like liberals and conservatives don't always sound like conservatives, but it seems to me what poor people need is money and what the conservatives say, what other people need is—or what all people need is the freedom to make some choices. It seems to me if you were to move to a credit from exemption, in fact, that is what happened. If you stay with the exemption or even doubling the exemption, only rich people get to have the freedom to make choices. Am I crazy?

Mr. PICCIONE. Well, you have asked a terribly long question——

Chairman MILLER. Yes; it is a fairly long question. And it also works out that it is worth about what we—when you compare it to the Canadian experience that you write about.

Mr. PICCIONE. Yes. Well, in the first place, I guess if we shifted completely to a credit and then we allowed families that don't have to file tax returns now to qualify for this credit as well—for instance; AFDC families, the—of course, Congress can do whatever it wishes, but the political difficulty you would run into there is that the credit would be called a guaranteed income plan or a variation of it.

Additionally, that would require more expenditures, but even doubling the exemption along the present lines would cost about $12 billion in lost revenues and that is fairly expensive.

Chairman MILLER. And it would go in a different direction.

Mr. PICCIONE. Precisely.

Chairman MILLER. It would go to the George Miller family and not to low-income people in my district.

Mr. PICCIONE. Yes. If we doubled the exemption at a cost of $12 billion, that would provide less assistance to low-income working families——

Chairman MILLER. Or middle income.

Mr. PICCIONE [continuing]. And middle-income families, too, certainly. Then the family allowance program that I tried out in my study, costing really zero dollars except for some administrative costs because just by cashing out the exemption, and then attempting to apply it in a different way, we achieve a better equity. Now, we can achieve that equity better through credit or through a family allowance system.

Chairman MILLER. All right. Other members have questions. I will just stop with this. My concern is this, and this was raised by Congressman Wolf and others in the very first hearing. If you want to stay home, it costs you something to raise your children. Children are expensive today. That is a fact of life and that is one of the reasons we are here, but I have found in 10 years in Congress that if you try to get the Congress to adopt a family allowance plan, it takes so long to discuss the—if you talk about a guaranteed income problem, you have problems there. It seems to me the question is, what is it you want to accomplish and how can you do it within the existing system.

One day, Governor Reagan woke up and said, we need a targeting of these resources. The exemption isn't right. We are going to a dollar credit on personal exemptions, to a personal tax credit in the State of California. And it kind of happened. In fact, resources were targeted and it worked out and I was just wondering whether this starts us to accomplish the idea of a family allowance?

Mr. PICCIONE. I do think that it is important at the same time to stress the common-good approach in our tax policy. By doing this, we empower more families to make different kinds of choices and I think that is a very important thing to do. We allow families who are sacrificing the second income to do it a little easier. You know, families might want to do it for 1 or 2 years or more, but I think it is important we facilitate that choice as well.

It becomes increasingly more apparent by the loss of significance of the exemption that that mechanism alone is becoming inadequate to give families these choices that they should have.

Chairman MILLER. Congressman Coats.

Mr. COATS. I am fascinated by this discussion and by these questions, partly because it does cut across some ideological lines. Maybe one of the problems that we have is that we have been using the wrong phrases and words to describe what we were trying to do. It occurs to me that maybe one way we can get this accomplished is to come up with the right code word and then slip it to the great communicator and let him adopt it and—[laughter]—we might be underway. So I want to pursue this question a little bit further.

As I understand it in your testimony, you are basically talking about three ways in which we can provide assistance to families with children. One is the tax credit that now exists and you have outlined some problems with that and would suggest that if we do make corrections or changes in the present tax system, it would be to redirect the child care credit more toward lower income families. Is that correct?

Mr. PICCIONE. Yes. I suggest that——

Mr. COATS. Because of the way it is weighted and the fact that it is almost discriminating against lower income families.

Mr. PICCIONE. Especially looking at what Congress' policy seems to be in adjusting a greater percentage—the 30 percent to the families with $10,000 adjusted gross income or less. I seem to be suggesting that if this is what you want to accomplish, you might want to consider doing a bit more along these lines.

Mr. COATS. The second option would be to increase the dependent's deduction, currently at $1,000. Do you have a suggestion as to what that ought to be? You know, it has grown from $600 in 1948 to $1,000 today. Do we have any numbers as to whether that should move to $1,500 or $2,000 or $3,000?

Mr. PICCIONE. Well, sir, the exemption has been neglected in policy. It has also been academically neglected as well. Eugene Steuerle, who works for Treasury—took a year off on leave of absence, was working at Brookings for a while and published for American Enterprise Institute—wrote a fascinating history of the exemption, showing that it was—at $600, as you say, from 1948 to 1969, the same amount; and from 1948 until now, the average income has increased more than sevenfold and the exemption has not even doubled. So it lost a lot of the wallop that it had. It lost practically everything.

So it is true that if we try to look back at the impact the exemption had in 1948 and wanted to replicate it in 1984, it would have to be at a $5,600 level, according to Steuerle. Now——

Mr. COATS. To have the same impact?

Mr. PICCIONE To have the same impact. It was a very effective mechanism for knocking a lot of average families right out of tax liability. That would cost, I guess, about $55 billion or so.

Chairman MILLER. If it was fully indexed.

Mr. PICCIONE. Yes, if it went to the $5,600 level.

Mr. COATS. OK, so you are suggesting a step in the right direction, but no way to regain that.

I think the chairman asked this and I am not sure I heard the answer or maybe you don't have the figures, but if you took the present $1,000 exemption and translated that into a family allowance or whatever, what did you say the net tax impact would be?

Mr. PICCIONE. It would——

Mr. COATS. Well, it would be neutral, of course, at present levels, yes. You just cashed——

Mr. PICCIONE. I was just cashing out the exemption.

Mr. COATS. Yes, OK. You just cashed it out at a zero level.

If you went to, sav, the $2,000 level for a deduction, which has been proposed in some of the tax reform plans, that would just be a doubling, then, wouldn't it?

Mr. PICCIONE. That would be $12 billion in lost revenue——

Mr. COATS. $12 billion, OK.

Mr. PICCIONE [continuing]. If the doubled exemption is restricted only to dependent children and not given to the parents as well. You see, if we——

Mr. COATS. Right, right.

Mr. PICCIONE. If we do it across the board, then a high-income family consisting of two adults benefit more than a lower income family.

Mr. COATS. I think we are talking about going to dependents——

Mr. PICCIONE. Just for disbursing it.

Mr. COATS. Yes. Dependents might include care for grandparents or someone where you are providing more than 50 percent of their income.

Mr. PICCIONE. Yes, but I don't include that in the $12 billion.

Mr. COATS. That is not included.

Mr. PICCIONE. No, sir.

Mr. COATS. Well, that is an area that I have been interested in because I have tried to look at the whole spectrum of institutional cost of either a child at one end and a grandparent at the other end. If they could be cared for at home, there ought to be an incentive for the people in the middle, the parents, to do that.

Well, that is fascinating. I think that is something we ought to pursue and maybe we can do that.

Chairman MILLER. If I can have the indulgence of the committee. Senator DeConcini is here. He would like to come in and to quickly give us his testimony. If we could just interrupt this panel for a minute and we will be right back to you. Then we will proceed with the questioning of this panel.

Senator DeConcini, welcome to the committee. We appreciate you taking your time to come over and to testify before the select committee and also appreciate your interest and concern and your help in improving child care services in this country. Welcome.

STATEMENT OF HON. DENNIS DeCONCINI, A U.S. SENATOR FROM THE STATE OF ARIZONA

Senator DECONCINI. Chairman Miller, let me extend to you my thanks for letting me budge in and my apologies to this expert group that you have. We have a number of things on the Senate floor, the banking bill and what have you, so I appreciate your making accommodations.

Let me also thank you and the members of this committee, for focusing on a very important subject, one that has not experienced a great deal of concern and consideration by Congress, but certainly we know of the tragedies and problems facing this very important subject. So my thanks for the opportunity to testify on a topic that is very important to me, the need to improve child care services in our country.

I will submit a full statement for the record, Mr. Chairman, but I would like to speak a few minutes about what I believe to be the crisis in child care in the United States. The issue of child care services directly affects lives of millions of children in this country, but it is frequently overshadowed by other more glamorous domestic and international issues.

Recently reported cases of child abuse in four day care centers have brought wide media coverage to the issue of child care in America. Child abuse is a terrible crime and those involved must be held responsible and prosecuted to the fullest extent of the law. I don't think anybody questions that, and I understand that that is happening.

However, if these cases are to reflect on America's child care system, they must be seen for what they are: Four cases of deviant adult behavior in the child care industry composed of hundreds of thousands of child care centers and family day care homes where millions of children and adult care providers interact every day.

The real crisis in child care in the United States involves the totality of the child care system. It includes the potential for child abuse, but also includes such factors as quality of care, cost of care, availability of care and salaries for the child care providers.

In the next few minutes, I would like to review the following: What has made child care a major domestic problem in the United States; what are the areas of progress being made in dealing with these child care crises; and what still needs to be done? Let me list some of the facts that have pushed the child care system to the crisis point.

Half of all mothers with preschool children now work outside the home. The number of children under the age of 6 is expected to increase sharply during the 1980's, climbing to more than 23 million by 1990. In 1983, there were almost 15 million households in which both parents are working. As many as 6.5 million latchkey kids lack adult supervision before or after school.

There are approximately 1 million licensed positions for group child care, but census figures indicate the need for 10 times that many child care slots. Child care providers are among the worst paid workers in the United States. In the second richest county in the United States, Montgomery County, MD, child care providers earn an average of only $9,000 per year. The cost of quality, unsubsidized child care, strains the pocketbooks of parents with an annual income between $15,000 and $20,000, and is way out of reach for lower income families.

As a father of three, I find the implications that these facts have for American families most alarming. I wish I could point to the emergence of both private and public forces joining together to form an organized response to these facts. Unfortunately, that is not the case.

Instead, I find two trends developing in the child care industry which may help fill some of the void in quality of care and in numbers of child care openings. The first trend is the establishment of a number of national corporations whose sole purpose is to market child care for profit. Perhaps the best known of these are Kinder-Care Learning Center, Inc., Children's World, Le Petite Academy and Palo Alto Preschool, each with centers in several States.

These new centers are desperately needed just to help provide the slots for children needing care. However, there is some concern that the quality of care might be compromised in an effort to maximize profit. For example, a large number of providers hired by these firms earn the minimum wage. Such a low wage inescapably leads to high staff turnover and the hiring of less qualified personnel, certainly a critical factor in determining the quality of care that a child might receive.

The second trend that I see is the growth of employer-supported child care initiatives. Hospitals responding to the need to attract nurses have led the way in establishing worksite child-care centers. Across the Nation, some 1,500 corporations are assisting employees with child care needs, up from 600 in 1983. Another 1,000 or more firms are in the process of examining child care options. Corporate leaders who assist their employees with child care include PCA

International of North Carolina, Merck Pharmaceutical, Polaroid, Honeywell, Mountain Bell, the Institute for Scientific Information, and Hewlett-Packard, just to mention a few. The results of employer involvement currently being reported are almost universally heartening as measured in terms of positive impact on staff turnover, abuse of sick leave, punctuality, absenteeism and morale.

Some employees cite greater productivity and improved product quality as well. These phenomena are more difficult to measure accurately. Singly or together, these benefits all effect an employer's so-called bottom line, their profit. In the public sector, some 12 child care centers operated by parents and boards composed of employees exist at the Federal level alone. I am happy to have been able to play a role in the formation of the center at the U.S. Senate Employees Child Care Center. The Senate Employees Center, which opened on February 27, 1984, was my first real exposure to the problem working women and men face today and they need affordable child care for their children.

The center opened with eight children enrolled full time. Now, 6 months later, the center is enrolled to its full capacity of 38 children per day and has become a model for those interested in quality worksite child care.

I need not tell you that the U.S. Senate is a unique place, and therefore, that the Senate Child Care Center has some unique points as well. In general, however, the Center is very much a typical worksite child care center and I believe that the lesson that had been learned during its creation and operation are ones that can contribute to the goals of determining how child care throughout the United States can be improved.

These lessons fall into three areas: importance of parent participation; importance of employer participation; and the importance of quality staff and facilities. My full remarks go into some detail regarding these three lessons as they pertain to the Senate Employee Center, but I would like to mention here that the selection of Dr. Nancy Brown as the director has been a key factor in the success of that center.

The Senate Employees Child Care Center is a successful story due to the efforts of many, many people. Of course, merely opening its doors to children has not meant an end to problems for the center. The process of defining the Senate's relationship with the powers that be in the Senate is just beginning and is, indeed, a struggle. I only wish that I could conclude my testimony now by saying parents throughout the Nation will soon have access to the quality of child care given by the Senate Employees Child Care Center. Unfortunately, to get the child care system in America to the point where Americans can find quality care at a reasonable cost will require a concentrated effort on the part of parents, employers, employees, government and experts in the child care field.

I recommend the following: First, both Houses of Congress must take the example of these hearings to heart by closely examining the child care system of this country and by acting promptly on the relevant recommendations; second, private and public sector employers should determine the child care needs of their employees and act upon those needs in ways which would prove beneficial, both to the employer, and of course, to the employee and the children; third, the Department of Health and Human Services and the Women's Bureau of the Department of Labor should exert strong leadership in the child care field by strengthening their existing programs and by stimulating a national campaign to improve and expand the existing child care system; and fourth, professional child care organizations and our colleges and universities should strengthen their early childhood development programs to make sure they are geared to achieve results in the near term, not just years from now; fifth, I urge all concerned social organizations in the Nation to give generously of their time, their expertise and financial support to assist child care initiatives in their local communities

The last, but really one of the most important recommendations that I can make, is to urge all of those involved in the child care system, public and private, to address the issue of appropriate salary levels for child care providers as a matter of urgency. The interrelationship of adequate compensation, stablity of staff and quality child care is critically important, given the scandalous, low-income levels which characterize our child care systems today.

Mr. Chairman, this concludes my remarks. I have a lengthy statement. I am sure you will say, "Thank you, we don't need another one," but I have so much to say on this subject matter, I ask that it be made part of the record and again I thank my colleagues here at the witness table for letting me interrupt their important testimony and questions to put this statement before you.

[Prepared statement of Senator DeConcini follows:]

PREPARED STATEMENT OF HON. DENNIS DECONCINI, A SENATOR FROM THE STATE OF ARIZONA

Mr. Chairman, members of the Committee, thank you very much for giving me the opportunity to testify today on a topic that is very important to me--the need to improve child care services in the United States. You are to be congratulated for your concern about this issue which directly affects the lives of millions of children in this country but is frequently overshadowed by other more glamorous domestic and international issues. All too often it takes a story like the recently reported case of child abuse in a California day care center to focus public attention on child care in America.

Appropriately, these misdeeds have received broad media coverage. All of us need to be alerted--even in frightening terms--to the unspeakable crimes some adults commit on children. All society loses when such crimes occur--not only those children and parents directly involved, and the perpetrators of the bizzare deeds.

But the events of California, New York, Maryland, and Florida must be seen for what they are--four cases of deviant adult behavior in a child care "industry" composed of tens of thousands of child care centers and hundreds of thousands of family day care homes where millions of children and adult child care providers interact everyday, often for eight hours or more.

The opportunities for abuse are legion and omnipresent. Although every instance of child abuse must be dealt with swiftly and severely, these aberrations in a gigantic child care system must be judged from that perspective. Otherwise, the entire child care community in the nation, with its hundreds of thousand competent, dedicated and committed child care providers, could be condemned en masse for the errant behavior of a few.

At least, however, the media coverage given these latest crimes has opened a crack in the door of the system of child care in this country. Hopefully, the testimony given at these hearings will widen that crack a bit more and stimulate action on a number of fronts to provide much needed improvement in this nation's child care institutions and practices. I would like to discuss in some detail the child care crisis that is occuring in the United States, but first I would like to direct your attention to a child care success story that is taking place right down the street from this building. The Senate Employees' Child Care Center, which opened on February 27, 1984, in what is known as the Old Immigration Building, was my first real exposure to the problems that working women and men today have in finding good, affordable child care for their children. The Center opened with 8 children enrolled full time. Now, six months later, the Center is enrolled to its full capacity of 38 children per day and has become a model for those interested in quality worksite child care.

I need not tell you that the U.S. Senate is a unique place and therefore that the Senate Child Care Center has some unique points, as well. In general, however, the Center is very much a typical worksite child care center and I believe that the lessons that have been learned during its creation and operation are ones that can contribute to the goal of determining how child care throughout the United States can be improved.

These lessons fall into three areas: The importance of parent participation, the importance of employer participation, and the importance of quality staff and facilities. In the Senate's case, the idea of establishing a worksite child case center dates back at least five years. Each year, interested parents would prompt an interested Senator to introduce a bill that would permit a center to be established. The bill would be referred to the Senate Rules Committee where it would die at the end of each Congress. Plans for actually achieving the goal of a child care center for the children of Senate employees did not really take shape until interested parents joined together to pursue a realistic strategy.

First, the parents examined the need for a center by surveying the number of employees who might be interested in a worksite care for their children. 750 questionnaires were distributed. These questionnaires included questions about interest in worksite child care, amount that should be charged for child care, need for child care past the hour of six o'clock, general preference for child care, preference for a hot lunch to be served in the Center, and willingness to serve on an advisory panel to help set up a center. This comprehensive survey enabled the employees' to be very specific about the type of facility needed to serve employees children and eliminated the need to conduct additional time-consuming surveys.

Approximately 145 Senate employees expressed interest in placing their children in a child care center near the Senate. The 88 people who expressed a willingness to help start a Center were contacted and an organizational meeting was held. A core of interested employees spearheaded the effort. With the survey information in hand, this group began to approach their employers, the Senators, themselves, with a specific request: That approximately 3000 square feet of space be allocated for the Center and that the Senate contribute $20,000 in start-up funds. The start-up money was to be used for such items and basic supplies, as toys, cots, furniture, and salaries for professional staff assistance prior to the opening of the center.

The employees drew upon the support of not only Senators, but Senators' wives, as well. Lori Hansen Riegle, Nancy Thurmond, Marcelle Leahy and my wife, Susan DeConcini, made many phone calls to Senators and to other wives urging that they do all they could to help get the Center started.

The allocation of space was made by the Senate Rules Committee after the Architect of the Capitol determined which sites would be available and the employees stated their site preference. However, the allocation of the $20,000 start-up money required Rules Committee action and a vote by the full Senate. While the lobbying effort for these start-up funds was going full steam, the employees were also working on the very important details involved in establishing a child care center.

These included the selection of a board of directors, applying for non-profit status, allocating the space in the center, determining enrollment policies, organizing fundraisers, interviewing applicants for the Center's staff--the list goes on and on.

Just before the end of the 97th Congress, the Senate approved the allocation of the start-up funds by a vote of 62 to 19. The start-up funds put the Center on its feet--it was up to the parents to make it go from there. Key to the Center's progress was the work of Denise DeCoste, the professional consultant chosen by the Center's Board of Directors, and the ongoing efforts of the Center's Director, Dr. Nancy Brown, a nationally known expert in the field of early childhood development.

As I said before the Senate Employees' Child Care Center is a success story due to the efforts of many, many people. However, as I am sure is the case with other Centers, merely opening its doors to children has not meant an end to problems for the Senate employees' center. The process of defining the Center's relationship with the powers-that-be in the Senate is just beginning, particularly now that the Center is filled to capacity and has developed a waiting list.

Frankly, the issue of space is a continuing problem for the Center. Due apparently to a misunderstanding with the Architect of the Capitol, the construction of a playground for the children had to wait until Congress amended a public law prohibiting recreational areas on Capitol grounds. The legislative process required to get this simple amendment passed took up the whole summer. Meanwhile, the children played and are still playing on an asphalt and gravel surface cordoned off with police barricades overlooking a parking lot and abandoned buildings.

Indoor space is still a problem, too. The Center is currently located so that it has a ground floor exit directly out of the building. However, in a year or so, the Capitol Police will be sharing this building with the Center, and it seems that the police might want to use this exit as well as the other exits from the building. The Center's Board of Directors is working with the Architect of the Capitol on this issue so that whatever site the Center ends up with is one that complies with the regulations of the District of Columbia and with the guidelines for quality child care that have been set forth by experts in he field.

Mr. Chairman, I wish that I could conclude my testimony at this point by saying that parents throughout the nation have access to child care of the quality given by the Senate Employee's Child Care Center. Unfortunately, I cannot do that. There is a child care crisis in this country today. Worse, every reliable prediction is that this crisis inexorably will deepen in the decade ahead no matter what we do this year, next year, or the year after that to halt, then reverse, this unacceptable trend. If I sound like an alarmist, I plead guilty without any fear whatsoever, because the facts, sadly, are on my side.

As the father of three grown children, I must tell you I am deeply troubled by what is happening to the families of this nation, and to the children involved. Ponder for a moment the implications of these data:

1. Almost two-thirds of all mothers of school-age children are in the labor force.
2. Half of all mothers with preschool children now work outside the home. The number of children under age six is expected to increase sharply during the 1980's climbing to more than 23 million by 1990.
3. The Bureau of Labor Statistics projects that by 1994 almost 80 percent of American women aged 25 to 54 will be working.
4. In 1983 there were almost 15 million households in which both parents were working--61.4 percent.
5. As many as 6.5 million "latchkey kids" lack adult supervision before or after school. In many cities and towns untold numbers of "latchkey kids" are taking care of one or more younger siblings while their parents are at work.
6. The number of single fathers--widowed or divorced--who are raising children has doubled since 1970. Almost 3.5 million children now live in homes run by 1.5 million solo fathers, double the situation in 1970.
7. Nationally, there are approximately one million licensed positions for group child care, but Census figures regarding numbers of children younger than six with working mothers point to a need for 10 times that many child care slots.

Mr. Chairman, the implications of these figures are frightening not only for those directly involved but for all in society who recognize the fear, uncertainty, guilt and other emotions which pervade and torment the lives of these parents and children. One working mother described her child care problems as a perpetual migraine headache which never left her, day or night.

The formal child care system of this country is a patchwork of child care centers and family day care homes terribly uneven in reach, quality and coverage. This system does infinitely more for the families of pre-schoolers than it does for the families of children in school. Having grown fitfully, principally in response to changing family and work patterns, it is weakest where it is most needed--in serving the needs of low and middle income working mothers.

Day care providers across this nation are among the worst paid workers in our society. In nearby Montgomery County Maryland, the second richest county in the nation, a 1983 survey found that child care providers there earn an average of $9000 per year! More, those providers, with very few exceptions, worked far in excess of 40 hours per week, and normally without any of the fringe benefits we have come to take for granted in this country such as paid vacations, health insurance, overtime pay, and sick leave. It has been said that child care workers are subsidizing child care in this nation. No other industry I know of operates with more employees living precariously on the margin. There can be no serious discussion about improving the quality of child care in this country which does not place the issue of wages in child care at the top of the agenda.

Having characterized our child care system in sobering tones, I must tell you in fairness that throughout the country many child care centers and family day care homes do exist which deserve high marks for the quality of care they deliver. They are licensed or regulated by local government, have well-trained and highly-motivated staffs, enjoy strong parental participation, have low staff turnover and exemplary programs, and normally pay higher staff salaries than are found generally among other centers and day care homes in the area. Almost invariably, they also have long waiting lists of names of parents anxious to enroll their children. In fact, due to the shortfall in child care slots nationwide, long waiting lists are the rule rather than the exception, even in those instances where the quality of care leaves much to be desired. Mr. Chairman, it is not uncommon for a center to refuse to place a name on the waiting list until the parent can provide proof of birth!

In fact, the provision of infant care is one of the most pressing child care problems in the nation today and is likely to remain so into the next decade. The explanation for that is simple. Infant care is substantially more expensive than that for pre-schoolers and school-age children. State laws require child to staff ratios no greater than 3 to 1 in most instances, in contrast to 7 to 1 or greater in the case of preschoolers. Since staff salaries are the largest item in a center's budget, child care entrepreneurs, private or public, for profit or non-profit, generally have shied away from opening infant centers in favor of those for preschoolers. Where infant care is provided, one often finds it to be subsidized to avoid tuition fees too great for those parents needing such care.

A *hospital in the Washington metropolitan area currently charges a weekly tuition fee of $100 for infant care and reports it must add $40 to that from its own coffers to cover the expenses of the service provided. Tuition fees for pre-schoolers in this same area, meanwhile, range from $60 to $80 per week without subsidies, or $3000 to $4000 per year.

The important point to bear in mind is that quality child care in today's economy is not cheap to parents with an annual income between $15,000 - $20,000 and it is way out of reach for parents with an income under $15,000. The average woman worker in the U.S. today, I am told, earns approximately $12,000 per year.

The answer is not to change the ratio of children to staff or to otherwise lessen the quality of care so that cost decreases. Either our society must find a way to assist families unable to afford adequate child care, or increasingly it will be obliged to deal with the consequences of such neglect, some of which already bedevil our school systems: truancy, vandalism, disruptive classroom behavior, drug abuse. It may be of interest to the Select Committee to note that in the worst cases, it frequently costs local government jurisdictions in excess of $20,000 a year to incarcerate and attempt to rehabilitate a youth offender.

Another point I wish to make about the child care system in this country is that it still reflects the past when the vast majority of centers were established on a non-profit basis. Today, of the approximately 26,000 centers in the nation, 55 percent are non-profit. Many of our centers occupy rent-free or subsidized space in church-owned buildings, public schools, or buildings owned by social organizations. To that extent, the parents of children enrolled in those centers are being assisted to an important degree.

Within the last few years, the sharp increase in the number of parents requiring child care services has spawned the establishment of a number of national corporations whose sole purpose is to market child care for profit. While their numbers are still small, their expansion has been swift. Well capitalized, they have begun to blanket various regions of the country with attractive and expensive centers, some in response to the needs of large corporations like Campbell Soup in New Jersey. Perhaps the best known of the corporate child care providers are Kinder-Care Learning Centers, Inc., Children's World, La Petite Academy, and Palo Alto Preschools, each with centers in several states.

While all child care specialists welcome the creation of new centers because of the desperate need for them, many experts in the field worry aloud and in print that the large, for-profit child care corporations, using the latest marketing techniques, may in fact be selling a service at a pace, on a scale, and for a price which unavoidably results in compromising quality care.

These critics point out that a large majority of the teachers and other providers hired by these firms earn the national minimum wage, now $3.35 per hour, or about $6700 per year. Their claim is that such a low wage leads inescapably to high staff turnover, producing a condition of instability which is the opposite of what centers' enrollees need. They also point out that high turnover results in inexperienced teachers in a profession which has an enormous impact of the youth of this nation.

Perhaps it is too soon to judge the real impact of the large corporate child care providers on the children enrolled in their centers. Any judgement is difficult to make because with very few exceptions there are no national, state, or local government guidelines stipulating what quality child care is or what the ingredients are which produce it. To establish such guidelines is a task sorely needed to be performed for parents and providers alike.

Mr. Chairman, I also would like to comment on another growing phenomenon of present-day child care, namely employer-supported child care initiatives. Approximately 50 percent of the on-site child care centers in the country today were established by hospitals experiencing nursing shortages in order to attract and keep nurses with child care needs. During the last 10 years in particular, first in what we refer to as the Northeast Corridor of this country and in the Silicon Valley of California, a number of business firms instituted child care programs of one kind or another in an effort to attract and keep highly-skilled employees. The corporate executives involved came to appreciate the high priority placed by single parents and dual-career families on accessible, affordable, quality child care. Their response was to examine the available child care options and choose one or more that fit the particular circumstances of their firms and their employees, and underwrite the costs involved in whole or in part. A few elected to establish on-site or off-site centers; others inaugurated information and referral systems; still others elected to provide subsidies on a sliding scale based on salaries, utilizing vouchers sent directly to providers or to employees. In other instances, employers modified employment policies related to flextime, job sharing, part-time work, maternity leave, and use of sick leave, among others.

Specialists tell us that employer-supported child care is bound to grow, possibly even dramatically, during the next decade as work and family pattern changes converge to increase the number of women and dual-career families in the workforce and the news of the measurable benefits to employers involved in child care reaches an ever-widening audience.

At present, across the nation some 1500 corporations, large and small, are reported to be assisting employees with child care needs, up from 600 in 1983. Another 1000 or more firms are in the process of examining the options with a view to deciding which most nearly fit their circumstances and employee requirements.

The results of employer involvement currently being reported are almost universally heartening as measured in terms of the positive impact on staff turnover, abuse of sick leave, punctuality, absenteeism, recruitment, and morale. Some employers cite greater productivity and improved product quality, as well, but these phenomena are more difficult to measure accurately. Taken singly or together, these benefits all affect an employer's so-called "bottom line." For example, PCA, International, a North Carolina firm, reported its turnover rate among employees with children in its ten-year-old child care center was less than one percent of the company turnover rate!

Intermedics of Freeport, Texas, reported its turnover rate decreased 23 percent the first year and 37 percent the second year of operations of its child care center. During the first year, reduced absenteeism resulted in a savings of 15,000 hours of work. The combined reduction in absenteeism and job turnover, the firm stated, resulted in a savings of more than $2 million in the first two years of child care center operations.

In another instance, a small textile manufacturing firm reported its turnover rate dropped from 40 percent to 7 percent, and absenteeism plummeted from 10 percent to one percent after the first year of operations of its child care center. It also stated that before the center was established it had four applications for each vacant position; afterwards it had 20, with 90 percent of them saying it was because of the child care center. In terms of dollars and cents, the firm reported that for every $1.00 spent, it reaped $6.00 in cost containment.

As for what other prominent corporations have done or are doing in child care, I offer these examples:

Merck Pharmaceuticals provided up-front monies for space renovation and other start-up costs.

Polaroid and the Ford Foundation subsidize enrollee tuitions on a sliding scale tied to employee salary levels.[4]

Honeywell, Inc. in Minneapolis provides support for local community child care programs, runs parent seminars focused on family and work issues, and has donated money and managerial time to assist a local organization develop a computerized information and referral service.

In California, the Service Employees International Union and Kaiser Permanente Hospitals of Los Angeles negotiated an agreement in April of this year calling for Kaiser to establish a child care information and referral program on a 12-month pilot basis at one of its medical centers to meet employee needs. If the pilot results in high employee utilization, the employer is committed to consider establishing child care referral systems at each of its medical centers, numbering six in all.

Mountain Bell in Denver employs a full-time staff consultant to conduct seminars for employees as well as to provide information and referral services.

In mid-July of this year, IBM notified its 218,000 employees and retirees in the United States of its decision to inaugurate a Child Care Referral Service designed, and I quote, "to give parents the information they need to fulfill their responsibilities for evaluating and selecting providers, and monitoring their performance." The service will be performed by some 150 referral organizations in communities across the nation on a prepaid, contractual basis. Additionally, in those areas where IBM has many employees, it is assisting referral organizations to enhance their data management capabilities to better serve their IBM and other clients.

In some locations, small groups of business firms jointly fund information and referral services, while others have pooled their resources to establish off-site child care centers and other programs. Such child care consortia are especially useful when each of the cooperating firms is too small to "go it alone."

I also wish to congratulate warmly the other members of that small band of corporate "pioneers" who were among the first to enter the child care field such as Stride Rite, Proctor and Gamble, Wang Laboratories, Institute for Scientific Information, and Hewlett-Packard.

In the public sector some 12 child care centers operated by parent boards composed of employees exist at the Federal level. Those established at the Department of Labor and the Department of Health & Human Services are perhaps the two best known, and of course, there is the Senate employees' center. There are others at state and local levels as well, but compared to employee needs, as with private employers, the reach of these centers is woefully inadequate.

Mr. Chairman, I wish to close my testimony with a brief list of what I consider to be the most important measures needed to deal with this nation's burgeoning child care needs. In doing so, I want all who hear or read these remarks to be aware of my child care prejudices, which begin and end simply with this: "What's best for the children of this nation?" I am fully aware that "What's best for the children" will cost money, private and public, but nothing worthwhile comes cheap. I can think of few causes more noble and worthwhile than the care, nurturing and education of our young.

Now for the recommendations:

1. I urge both Houses of Congress to take the messages of these hearings to heart, to look closely at the child care system of this country, and to act promptly on the relevant recommendations. I further urge the Congress to act with a determination indisputably strong so there will be no uncertainty, in any quarter, about Congressional intent. I repeat an earlier remark: the current data are frightening; projections of the situation for the rest of the decade are even worse.
2. I urge private sector employers of every size and description to update their information on the child care needs of their employees, and look carefully at the substantial benefits which accompany employer involvement in child care. I further urge them then to act expeditiously on those measures appropriate to their circumstances and the needs of their employees.
3. I urge all public sector employers at the Federal, state, county and municipal levels to determine ways

that they, too, might respond to the child care needs of their employees, to the benefit of all parties involved. In doing so, they should not underestimate the impact their leadership and resolve can have on all groups and organizations capable of assisting in efforts to build a national child care system worthy of this nation in substance and scope.

4. I urge the U.S. Department of Health and Human Services, and the Women's Bureau of the U.S. Department of Labor, to exert strong leadership by strengthening their existing programs, and in other known ways, stimulating a nationwide campaign to improve and expand the existing child care system. These efforts should focus on--and draw heavily upon--both the private and public sectors of the economy. I cannot stress too strongly how badly I believe this needs to be done and to be seen to be done. Nor can I overstress the importance of action on their part. Both have on their staffs--and have access to--competent professionals in the child care field to spearhead this effort. There is no need to await further studies on what needs to be done at the outset. The returns are already in. They have been there for months, even years. The time to act is now.

5. I urge every professional organization in the field of child care, as well as our colleges and universities with strong programs in the field of early childhood development, to make sure their programs of research and publication are lean, tough, and geared to achieve

results in the near term, not just years from now. This valuable work is needed to undergird effective experimentation and other efforts to improve the efficiency and quality of child care services, not the least of which is the sorely needed training of child care providers.

6. I urge all concerned social organizations in the nation--women's and children's advocacy groups, Rotary clubs, chambers of commerce, labor unions, local bar associations, medical societies--to give generously of their time, expertise, and financial support to assist child care initiatives in their local communities.
7. Finally, I urge all of the individuals and organizations mentioned in the foregoing recommendations to address the issue of appropriate salary levels for child care providers as a matter of urgency. Mr. Chairman, we all know money alone does not solve all problems, or even most. But allow no one to deceive you. The interrelationship of adequate compensation, stability of staff, and quality child care is absolutely overriding, given the scandalously low income levels which characterize our child care system.

Mr. Chairman, this concludes my testimony. I appreciate the opportunity to testify today and wish you great success in confronting the child care crisis in America.

Chairman **MILLER**. Thank you, Senator, for your testimony and again, for your interest. I must say that the House employees are watching with great interest the Senate Child Care Program and hoping that we can replicate that on the House side. As this committee, and I think I speak for the entire committee, as this committee has struggled over the last year and a half with the problems of children, youth, and families, we appreciate what you and Senator Denton have been doing with the Senate caucus on the family.

As we soon found out after starting this committee, that was the entire universe of the United States of America, so it is a little more than we had anticipated, but we appreciate the help that the Senate caucus has given this committee on the issues.

Are there any questions by members of the committee?

Yes, Mr. Marriott.

Mr. **MARRIOTT**. Senator, good to see you again.

Senator **DECONCINI**. Nice to see you, sir.

Mr. **MARRIOTT**. I just wanted to ask you to clarify one point. You indicated the average day care provider earns about $9,000 a year.

Senator **DECONCINI**. That is in Montgomery County.

Mr. **MARRIOTT**. Does that include those who provide care in their home——

Senator **DECONCINI**. No.

Mr. **MARRIOTT**. That is the organized day care center——

Senator **DECONCINI**. That is correct, Mr. Marriott.

Mr. **MARRIOTT** [continuing]. Profit and nonprofit?

Senator **DECONCINI**. Yes, sir; that is correct. That does not include—and part of that, I am advised, is almost impossible to find out because of the, what we will call "grandmother" term that is used and the cash payments that are transferred there and no records kept.

Mr. **MARRIOTT**. Thank you very much, and again, I want to go on record of saying we appreciate your good work in the Senate and the work you have done in this important area.

Senator **DECONCINI**. Thank you, Congressman Marriott, and I thank all the members here for the interest that you have demonstrated in holding these hearings. So well I know, other important subjects that face us all here, but you are dealing with the resource of this country today and tomorrow and nothing can really be more important and that is what prompted me to respond to your kind invitation, Mr. Chairman, to participate.

Chairman **MILLER**. We appreciate that and I will say that in the first part of your testimony, you raised the issue that has troubled us all certainly over the last couple of months and that is the reports of child abuse in child care settings and I would just like to say that it was agreed late last night that the select committee will hold joint hearings with the Ways and Means Committee on September 17 to start to air some of the concerns that are raised by parents, law enforcement individuals, and others about this problem. So, I don't think that it is going to go on unanswered in the Congress and Congressman Marriott and myself and the Oversight Subcommittee finally agree that we can put together this kind of hearing.

Senator **DeConcini**. I don't know that you were going to do that, but I thank you for doing it——

Chairman **Miller**. We didn't know until late last night.

Senator **DeConcini** [continuing]. Because I think you are going to uncover some very fundamental problems that I have referred to and other witnesses here and it will be very important to have substantiated that as arising out of these most unfortunate incidences.

Chairman **Miller**. Thank you very much for your time.

Senator **DeConcini**. Thank you, Mr. Chairman. Thank you, gentlemen.

Chairman **Miller**. Congressman Marriott, more questions?

Mr. **Marriott**. Thank you, Mr. Chairman.

I would like to home in, if I can, for a minute, on all the panel members, but Mr. Piccione and Mr. Kowash, let me just ask you a couple of questions.

We have been talking about how to assist people in providing day care assistance. Let me just throw two things out. It seems to me that what we need is some incentives for day-care providers to exist and to make a profit so that, indeed, we can have a supply of good organizations to help take care of our children.

The question then comes up, how do we pay for all of this, and I would argue that maybe the thing to do is to let the people who can afford it pay their own way without tax credits at all. That is, if my wife and I work and we make $100,000 between us, why do we need to have any kind of tax credit, deduction, exemption, or anything else that goes with it, therefore concentrating the effort on subsidizing the cost to those who can least afford it.

Supposing you didn't have deductions, credits, exemptions, and all the rest and you simply said that for those people who make under $25,000 a year on a sliding scale of somewhere between a subsidy of zero and the full cost of day care services—Mr. Kowash, what does it cost now to put a child in day care on the average, about $250 a month in most of your association's businesses?

Mr. **Kowash**. That would be correct.

Mr. **Marriott**. So, if the average is $250 a month per child, what would the cost be, Mr. Piccione, to subsidize somewhere between nothing and the full amount, based on need? When you subsidize the full amount, you are arguing that that is cheaper than keeping them on AFDC. So it is a substitute for AFDC.

What would be wrong with that approach and what would the relative cost be to take a private sector approach with the government simply subsidizing those at the lower ends on a sliding scale?

Mr. **Piccione**. I don't think there is anything wrong with it. It is a prudential choice that Congress would make because you set it up, but really, if 64 percent of the moneys from the credit goes to families with above median-income levels, then that means that when, in 2 years, the credit grows in total cost from $1.3 billion to close to $2 billion, it will mean that so much more of that money will be going to the upper income families and so it could—when you have a view of all of the other programs and their costs, it could be a very reasonable expense.

On the other hand, yesterday Mr. Coats referred to the original intent of the AFDC Program was to allow women to be at home with their children, so——

Mr. **Marriott**. There is nothing wrong with that, either.

Mr. **Piccione**. Right.

Mr. **Marriott**. The question I have is, you mentioned, I think it was Chairman Miller or somebody, made a proposal and you said the price tag of that would be $12 billion.

Mr. **Piccione**. Yes, that is if we double the exemption.

Mr. **Marriott**. OK. But now you are still into exemptions and when you start dealing in exemptions, credits, and deductions, you don't treat everybody the same. No way you can because their income level and circumstances are different. So the question is, if you simply had a direct payment or subsidy from the Feds and the State and the employer or whatever kind of deal you worked out, that indeed subsidized a part of that $250 a month payment, based on a needs scale, do you have any figures as to how much that would cost in relationship to this $12 billion figure that you were throwing around earlier?

Mr. **Piccione**. No, sir, I have no figures for that, but I would take exception to your statement that credits can never have an equal value. In the current child and dependent care credit, it is true that the credit doesn't have an equal value and even though low-income families are allowed a greater percentage, higher income families, because they have a greater expenditure, can recoup more through it. That is true. But credits can be used in an equal manner.

Mr. **Marriott**. But we are not trying to help high-income people——

Mr. **Piccione**. Right, but if we had just a direct standard level—standard amount of a credit, say if a credit were to replace the basic exemption, that would not necessarily be unequal.

Mr. **Marriott**. No, but——

Chairman **Miller**. Can the gentleman yield on that——

Mr. **Marriott**. Yes, but before I do, may I ask this point. A credit, as I understand it—let me make sure we all understand how a credit works. Supposing that I have a—under the current 20 percent up to 2,400—if I am in the 50-percent tax bracket, I get 400-and-some-odd-dollars, right, credit.

Chairman **Miller**. Exemption.

Mr. **Marriott**. No, on a credit. Talking about the child care credit. Twenty percent times 2,400 is 480-whatever it is, 400-and-something-dollar credit. OK.

Now, if I am in the 50-percent tax bracket, that is worth double that; is it not?

Chairman **Miller**. No.

Mr. **Marriott**. Sure it is

Chairman **Miller**. An exemption, see, an exemption is just the opposite. A credit is the deduction. A credit comes off your tax liability. You owe the Government $12,000. Write a check to the IRS for $12,000. If you have a tax credit, you subtract your $400 from the $12,000. Now you write a check for $11,600, but——

Mr. **Marriott**. Which is equivalent to a deduction——

Chairman **Miller**. Because of the way it is figured, the child care tax isn't a pure credit. It is figured on a percentage. That is why I am arguing that if you took the current deduction and changed it to a credit—if you make $50,000, it is worth $1,000 to you off of your taxes, which is 2 percent. If you earn $10,000, it is worth $1,000 off your taxes which may be up to 10 percent of your income because the credit applies—and it starts to move the resources down toward the middle class, lower income people. That is why——

Mr. Marriott. Let me understand this, OK. I just want to make sure we understand this.

If I have a credit of $200, and I am in the 50-percent tax bracket, that is equivalent to a $400 deduction——

Chairman Miller. No. Well, it is equivalent to a $400——

Mr. Piccione. It is close to it, yes.

Mr. Marriott. Sure it is.

Chairman Miller. Yes, yes.

Mr. Marriott. So if I am in a—so, the higher tax bracket I am in, the more that credit is worth to me as a deduction against income.

Chairman Miller. No.

Mr. Marriott. Sure it is.

Mr. Piccione. The higher your tax bracket, the greater the value of the——

Mr. Marriott. Credit.

Mr. Piccione [continuing]. The credit.

Mr. Marriott. Right.

Mr. Piccione. Well, the child care credit is not based on the tax bracket system.

Chairman Miller. Yes.

Mr. Piccione. It is based on income levels. Once you are above the $28,000 income level, the maximum you can use is 20 percent of the total child care costs to a maximum benefit of $480 for the first child.

Mr. Marriott. What I am saying is, why don't we just give the darn money to the people at the beginning and forget all of this monkey business? Why don't we just say, if it costs $250——

Chairman Miller. Now we are talking. [Laughter.]

Mr. Marriott. If it costs $250 a month to put a child in day care, it costs $250 for a low income or it costs $250 for a high income, we are all going to get quality care, then the only issue is how much of the $250 are we willing to pay and it ought to be on a fair and equitable basis.

That is why I think we are better off to forget deductions, credits, and exemptions and just simply figure out whether or not it is to the benefit of this country to provide a subsidy for those who can't afford it to provide day care assistance and whether that subsidy comes by the State or the Federal or whatever in the form of some grants, whatever, it all boils down to the same thing, doesn't it, in the long run?

What I want to find out is, would simply providing a sliding scale direct subsidy to people below a certain income level cost less in the long run than this $12 billion and what would the price tag be for that type of program? Is there some way to compute that?

Mr. Piccione. Not at the present time, and remember, the $12 billion, sir, is for the exemption. Now, the exemption is not simply focused on child care expenses. That would be to all families with tax returns——

Mr. **Marriott**. Whether you need it or not.

Mr. **Piccione**. That has been our policy so far.

Mr. **Marriott**. We just got through say, as we defined this earlier—we are not here to subsidize day care. We are here to help children who are disadvantaged, so why are we providing benefits for all these——

Mr. **Piccione**. Precisely.

Mr. **Marriott**. I don't need it. I mean, I don't want the Government subsidy. I do want my share to go to the person who needs it.

Mr. **Piccione**. Sir, I also think it is important, though, in creating something for the future, that policy be flexible enough to deliver assistance to families that don't choose the day care option, that want to try to sacrifice a second salary for a parent at home or families in rural areas where they don't have the same work opportunities or day care opportunities.

Mr. **Marriott**. I think if we start getting along into that, we are going right down the socialistic road. I don't think we owe—if my wife and I want to work and don't want to work or stay home, we don't need the Government to subsidize us one way or the other, or give us any incentive one way or the other.

Mr. **Piccione**. But look at it like this: If the day care credit becomes larger in the future, $2 billion in 1985, and becomes larger after that and we keep making it bigger and bigger, then we begin to have the cost of this flow over to families that are sacrificing a second salary so that a parent can be at home. That means that they could be paying higher taxes to pay for someone else's child care credit, which means, in the final analysis, we have accepted as policy that you are paying for the privilege of raising your own children with higher taxes. So I think in choosing all the options, they have to be crafted carefully enough so that they respect all persons' choices.

Mr. **Marriott**. One last question if I can, Mr. Chairman. This goes to Mr. Kowash. $240—let's say the average cost of a—the average fee a day care provider would charge around the country would be $240 a month per child, or $250 a month per child. We talked earlier when the Senator came in about day care providers being the lowest paid people in the area.

It seems to me that we need to provide some incentives for people to be in the provider business without giving away the ship. I mean, we ought to have some incentives to provide a good supply of services. What is the situation now with the private day care providers in terms of profitability?

If I wanted to go out today and start a day care service—I love children, I want to help them. I have got to make an investment and I want to make a decent profit as well. Can I do it today? How profitable is it and do I have to pay all of my employees minimum wage in order to make it work? If not, if I do, what is the solution to this problem?

Mr. **Kowash**. Well, there aren't too many viable solutions, but first of all, let me say that from the ECLC Learning Center standpoint, we operate anywhere from 2 to 5 percent profits each fiscal year. If you were to ask me personally if I would invest my $100,000 into a child care center to get 3 percent, I would say, "I am going to go to a Government Teasury note and get 10 percent or what have you."

The incentives that you have to getting into the market naturally is profit-motivated. We are in a free enterprise system and I think everyone agrees that the free enterprise system is important to the strength of democracy. Therefore, you have a lot of the large conglomerates that are on the stock market that sell stock to raise capital to begin to develop child care centers, and naturally, those companies are motivated to provide a return to the stockholders as any corporation is organized.

But as far as a personal individual is concerned, certainly I, as an educator, would never compromise the dollar for the educational development or the physical or mental or social development of the child.

So, therefore, the amount of profit that is in the private sector is minimal. I can say this from our standpoint, anywhere from 60 to 70 percent of our moneys go into salaries and wages, taxes, real estate taxes, State taxes and so forth, and so there really isn't a very great incentive right now for people to rush to get into the child care business as far as the private sector is concerned.

Mr. MARRIOTT. Well, that is too bad. I was giving a speech—what was it—I spoke to your group down at one of the hotels and I gave a speech. [Laughter.]

Chairman MILLER. Are we going to have to listen to it now? [Laughter.]

Mr. MARRIOTT. No, I just want to say I sat around the table and I had dinner with the group and they all looked awfully prosperous to me. They all were in the day care business and nobody was complaining about profits and they were all looking to build new centers. I am all for profit. I think, you know, I would rather have a profit than a loss any day, but I think the point is, is there enough money to get people in the business and why isn't there, and what do we have to do to supply the supply of services?

Mr. KOWASH. The market is growing approximately 10 to 20 percent a year and it is going to continue to grow until, as I perceive it, into the mid-1990's. We have had many—I guess not many, but we have a considerable number of businesses and industries that have contacted us personally to begin to manage and take over the centers that they have had because of large cost overruns and the high expenses and so forth and cost containment problems, but I think there is a way that you can make good quality care available at a reasonable price. This is really what parents are looking for today.

Mr. MARRIOTT. Finally, I will be quiet on this issue. Do you have the economy of scale to make money in day care services? Do I have to have six centers with 600 kids in it in order to make any money or can I do it with a small center with 10 or 15 or 20?

Mr. KOWASH. Again, as an individual, for you to make money as an individual, you would have to be the director, the custodian, the bookkeeper, the teacher and what have you and possibly you could make a decent salary. The more centers you have, naturally, the more income-producing revenues you would have, which, in turn, would relate to a better bottom line.

We have 13 centers and we are not a large operation, but as I indicated, we will probably see a 3- to 5-percent profit on our return on moneys.

Mr. **Marriott**. How many total children do your centers care for?

Mr. **Kowash**. Our centers—we have approximately 3,000 children in our centers and we have not only suburban centers, but we operate two hospital centers. We do feasibility studies. We manage a center for a children's services bureau, which would be an human services agency. We have a large inner-city center in Indianapolis, so we have a smorgasbord type of child care services that we render.

It is extremely difficult to stay with one area in today's complex child care society.

Mr. **Marriott**. Mr. Chairman, if it costs—if it is a losing proposition for the private sector, I would sure hate to get the Government involved in it. It would really cost us a lot of money.

I yield back.

Chairman **Miller**. It is a winning proposition. It is just not terribly profitable.

Mrs. Johnson.

Mrs. **Johnson**. I just wanted to ask a couple of questions, first in regard to your proposal for your discussion of tax credits and exemptions. Didn't your tax credit proposal involve refundability?

Mr. **Piccione**. Yes. I examined that and found that for the lowest income groups, for the families with adjusted gross incomes of $10,000 or less, if refundability were available to them, the amount that would be funded would represent only 2.5 percent of the total expenditures of the credit.

Mrs. **Johnson**. Without refundability, though, its equity is considerably diminished, is it not, as well as its effectiveness?

Mr. **Piccione**. Yes. I don't know how considerable, but certainly refundability would be a help to those lowest income families.

Mrs. **Johnson**. Do you know whether any other country provides a tax credit or, a family allowance on a sliding scale?

Mr. **Piccione**. Family allowances are most diverse all over the world. Some countries have family allowance systems that give you more money for each child; others wait until you have the third child before they begin the allowance; and then other nations, such as Canada, give an equal amount for each child. So they do have varying amounts, but it is generally based on the number of children, not by income level. What the countries might do—and Canada does—would be to progressively tax the family allowance given so that, unlike the regressive effect of the exemption, you would have something very progressive.

Mrs. **Johnson**. That would not be unlike what we do with Social Security, where we tax a portion of the benefits at a certain retirement income. So we could actually increase, on a gradual basis, the amount of the family allowance that is subject to tax.

I think it would be difficult to mobilize the kind of support that we would need for a family allowance that would benefit people whose incomes were at $70,000 and $80,000 a year in the same way it would benefit low- and middle-income families. I would frankly have difficulty with that concept.

On the other hand, I think the figures that you gave were very helpful about steps you would take to make the $600 1948 exemption to have it have the same income impact on people.

When you think what a $5,600 writeoff would do, the most that the families that I know are really struggling receive—it's very dramatic—and that figure was well worth our studying.

I'd like to switch to Betty Carnes, if I may.

Betty, your training, the CDA training—do any States require that for licensure, do you know?

Ms. CARNES. About half of the States do have the CDA credential as one of the qualifications which a provider may meet in order to be a care-giver.

Mrs. JOHNSON. Thank you. That's only in regard to centers, not in regard to homes; correct? There are no States that have training requirements for family day care homes, is my recollection.

Ms. CARNES. I'm not aware of any. In fact, as a person that's involved with the CDA Credentialing Commission and as an individual who has had responsibility for more than 10 years for regulating child day care facilities at the State level, one of the greatest concerns that I have and one of the problems that I think is the biggest deterrent to quality of care is lack of training.

You know, I've heard testimony this morning in regard to the type of facility in which the best care can be provided. I think the family day-care provider can potentially provide an excellent service for the very young child.

I do share the concerns that many have that we don't know what those qualifications are that those people meet.

CDA will become available in 1985 including competencies for the family day-care providers. We're so hopeful that we can somehow facilitate an interest on their part in going through the process, so that they do receive training and so that they can have their competencies examined and can demonstrate that they do have the skills to take care of children before they are given a credential.

But I would very much wish that there would be some action that could be taken by the Congress to give an incentive to child care providers to participate in training, whether it's through a tax credit when they pay for their own training, or through the increase in the title XX training provision, or any other number of ways that it could be done.

I just think, if we're really concerned about quality, we've got to be concerned about the qualification of that adult that's taking care of children, and I do hope that this committee will entertain that aspect of this issue with some careful thought.

Mrs. JOHNSON. Yes, I think that is, to a large extent, the heart of the matter.

I don't know what the proportions are between the number of children cared for in homes and in centers, but I would roughly guess that there are more in homes than in centers; I don't know.

Ms. CARNES. I think very definitely.

Mrs. JOHNSON. But since we have absolutely no licensed—hardly any licensed facilities in most States to take care of children under 3, and since many of those homes, and possibly as many as three quarters, don't participate in a licensing system, even the home licensing system, the likelihood that most of them have no contact at all with established, well-trained personnel is extremely great.

One of the things I'm interested in is developing some kind of satellite relationship, and it may be that there could be particular standards or training for satellite centers, so that they could provide certain things to their satellite homes that would bring the satellite homes in contact with training without hooking them automatically into a State regulatory licensure mechanism.

I think one of the problems we'd run into if we go too far in setting standards for those homes is the same problem that we have run into over and over again in the licensure of social work issue—that you push a lot of people out of the market who are really very good but who will never meet paper and pencil qualifications.

So I was interested in the role that the CDA is serving and commend you for your work in that area. It's terribly, terribly important.

Last, I just wanted to ask Warlene Gary——

Ms. GARY. Yes, I am.

Mrs. JOHNSON. In terms of the title XX Social Services Program money, are you aware of any States that are involved in evaluating whether or not those day care moneys—and this goes back to the whole private sector/public sector controversy—are being used by States to do a study of quality and costs of publicly provided day care versus quality and costs of privately provided day care?

Ms. GARY. I don't track title XX money, I tend to monitor the education block grants, but I do belong to the National Coalition on Block Grants. I do know they are taking a look this year at how title XX money is being used at the State level.

There are some serious problems with block grant legislation, as I indicated before. It has been an insidious way to glop things together,' and then cut the budget, and then figure out a way so that those folks are not getting the money at the local level, where the services—you know, we're talking about at a Federal level how to provide services at the local level. We've also got to have those people involved when we sit down and put legislation in place to make sure they do receive those services, but the study is not out.

One of the problems with block grants for those who monitor it is that it's very hard to figure out how the money is being disseminated and track through the State and down to the local level. That's one of the major problems with block grants.

Mrs. JOHNSON. I agree with all those problems you cite with block grants. One of the interesting things, though, that the block grant has done in some States and certainly in Connecticut was, it brought all the providers together at a much earlier part in the planning process than they ever had been and prevented everyone from fielding their own lobbying effort well down the road to try to reverse things.

In Connecticut at least, that kind of approach has started new scrutiny of how we are using the money and whether or not we are really using it in the best interests of children.

I wondered if other States were looking at whether funding of public day care centers is the best way to help children and provide day care.

Ms. Gary. I really believe that as the public becomes more aware of what a block grant is—if you talk to the average person in the street, they can't tell you what a block grant is, but as people find out, they're going to find ways to access the money, and I think that's true. It will provide more coalitions working together to make sure that that money does provide the services.

Mrs. Johnson. Yes.

Chairman Miller. Dr. Aronson?

Dr. Aronson. I have some information, I think, that may be helpful to you and you may want to follow up on. There is a seven-State consortium in which Pennsylvania was the lead State, but Texas, West Virginia, California, New York, Utah, and Michigan have been involved. Pennsylvania and the other States looked at a system by which licensing data could be used to measure the quality of performance in day care programs and could be integrated with a cost analysis.

The programs that were being measured by this system were both publicly funded and private programs, so that data exists to partly answer the quality cost auspice question that you're asking about.

The person I would direct you to, to get specific information about this, is Dr. Richard Fiene, at the Pennsylvania Department of Public Welfare. He has the data that you are asking about.

The data show clearly that there is a level of funding below which you cannot fall without sacrificing quality, and there is a level at which throwing more money into day care does not improve the quality of care.

The ability to quantitatively measure day care performance linked to cost is is a very important concept. It enables day care funding sources to know when cost cutting goes beyond the fat, in some instances when you go beyond the bone. That has happened in Pennsylvania. We actually saw the quality of care slipping as funding was cut back beyond the level at which the best efforts could not maintain quality.

Furthermore, I'd like to support the need for training that was mentioned by others. I have personally done some research in the health training area in a federally funded demonstration project. The study showed clearly that, first, monitoring alone improves the quality of day care—that if you do provide adequate checking on what is being done, simply the increased awareness of what should be done improves the quality; and, second, that training improves performance above and beyond the quality enrichment you get through adequate monitoring—training provides yet further improvement.

So there's objective data that shows that training really helps, and that adequate monitoring really helps, and that the two together, synergistically, improve the quality of care.

Chairman Miller. Mr. Wolf?

Mr. Wolf. Thank you very much, Mr. Chairman. I have a 12 o'clock appointment and I've been waiting to ask some questions. I will try not to take a lot of time.

I appreciate all of your comments. You've made a lot of good points.

I have personally held a series of day care conferences in my congressional district. Dr. Tate who was here yesterday, attended. I say this in a spirit of friendship with my good friend from the National Education Association, who does not have an overly enamoured view of the Reagan administration, but the Economic Recovery Act that this administration and I supported, and many of us in Congress support, really offers the greatest opportunity to do something for day care and to do it in a very positive way, and we ought not close our eyes to this.

The White House does have an Office of Private Sector Initiatives, which came out to one of my conferences, and which I think offers seminars about the opportunity.

What I just wanted to say to you and everybody in the room who's listening, we keep talking about spending Federal money, and I'm also in support of this. It's a very important issue.

Day care is something we have to address, and the chairman has been out in the forefront and has probably done more than anybody else on the issue, but as we address the day care issue, don't neglect the private sector; don't neglect the corporations that have the opportunity to play an important part in this issue.

I don't know what you are paying your people. They may be earning $9,000. But I'm sure they're going into the business because there's an economic incentive. The corporations of this country, whether it's in Xerox machines, or paper, or tanks, are making money; it's part of the social consciousness.

When we made some budget cuts in 1981, we went to administrations; we then went to different companies, and for example we helped rebuild Wolf Trap with that; we also helped do a lot of different things. There is money in the private economy to do these things.

The problem becomes that we have not spent the time to educate the CEO's, the corporate leadership of our Nation, both at the large Honeywell's and TRW's but also at Joe's Print Shop, and as Dr. Tate points out—and I think everybody here ought to get a copy of her statement—it isn't a question of how much it's going to cost; this is not the question. The question is, how much will it save the company? How much benefit will it actually bring to the company? It brings benefit, as Senator DeConcini said, in less absenteeism; it brings benefit in less turnover.

Dr. Tate—I don't know if she has submitted them—has studies of turnover—what it means when you lose an employee and have to get a new one.

The unemployment rate in my congressional district under the Economic Recovery Act that we passed in 1981 is 2.4 percent. In Loudoun County, it's 1.8 percent. If you lose an employee that's a well-trained employee, it's very difficult to find another well-trained employee.

So I think what we've got to do—and this is where this committee provides the opportunity—is to get it out to the corporate executives, the chambers of commerce, the National Association of Manufacturers, that this is good business, this is the way to keep your employees, this is the way to make them happy, this is the way to improve morale, and this economically—and if you want to use that word that used to float around—is the bottom line; it's good business for the company.

I think we should stress that rather than always coming to the Federal Government for more money—go to the private sector.

For those of you who weren't here—and I was not here to hear Dr. Tate—she pointed out that if you are talking about day care that costs roughly, let's say, $2,000 a year, if you give an employee $2,000 in additional salary to purchase that day care service, the employee has to pay taxes on it. If the employer sets up a voucher system or purchases, from your association or some other, so many slots or units in a day care facility, the employer doesn't have to pay Social Security on that; that's a positive aspect; and the employee doesn't have to pay income tax on it.

So let's put more stress on what the private sector can do, because I think the private sector has the money. This economy is booming, it can be creative, and it's to the advantage of business and it helps the children, and it helps the people.

I just wanted to make that point, because I think we were all talking about Federal involvement. There's a lot we can do here, but there's also a lot that the heads of private corporations can do.

Mr. **Marriott**. Would the gentleman yield?

Mr. **Wolf**. Yes.

Mr. **Marriott**. Just along that point, we had yesterday a person from the State of New York testify that they had established a day care system in the State of New York, and they were ticking off all of the benefits in terms of increased productivity, increased morale, and so on, and so on, and I've asked them for a study or some examples of the specifics in terms of those type of initiatives.

But I agree with what the gentleman said. I think we do need to educate the corporations of America in terms of the economic benefit of this, and I think that will go a long way to helping us both increase the quality and funding of the day care centers, and I appreciate your bringing up that point.

Mr. **Wolf**. And Dr. Tate—I don't know if she pointed out again yesterday—pointed out that a lot of the CEO's are afraid because they think the care is on site. The surveys that she's taken show that most people do not want onsite day care. The parents want to make this election; they want to make the choice where they want to put their child.

So I think we've got to raise the comfort level of the private sector by pointing out such misconceptions which we haven't done a very good job on so far.

Now I want to address—the comment of the gentleman, Mr. Piccione. I agree with you. I think in the process, Mr. Chairman, of trying to solve this problem, we don't want to pit one group against another. We don't want to pit those people who have elected to stay at home and make them bear such pain that then they say, "Well, you know, golly."

So I think it's a balance, and I think it's important that we try to strike that balance and be very, very flexible. We don't want to put such a burden there that you're driving people out, that they have to work to pay their taxes in order to pay for this thing, and I think we've got to be careful that we don't have a vicious cycle, and I agree with your comment.

I think you're making good points about certification, and I just wanted to know, does your group do what she recommended? Do you have a booklet that tells you that if you want to provide day care, that this is what you ought to do, and this is how you ought to go about health care?—I'm speaking to you—I mean, for example this is what you ought to do about washing your hands, and so many lavatories, and so many this, and break times? Do you put that out and educate somebody on that?

Ms. CARNES. There are standards that address a healthy environment. I'm not sure that it encompasses everything that the doctor is addressing here, but we do address that in our standards.

Mr. WOLF. Well, I think your group and the American Academy ought to get together, and perhaps our committee could lead the effort. I'm not a great fan of the Federal Government coming in and telling you how to do everything, but perhaps a model code, if you will could be put together and give the opportunity for these people to certify, and hopefully you'll punish your people that don't meet that goal.

But I think you make some very, very good points, and, frankly, I wouldn't want my child to be in a day care setting that didn't meet the very points that you are making.

I would hope that perhaps one of the recommendations the committee could make, Mr. Chairman, is some sort of model standard or code or effort of what the average day care ought to have, and, second, I would like to ask, if it could be submitted for the record, your comments to Congresswoman Johnson and how much—you don't need gold doorknobs—and so we could estimate what is necessary. Also, where do you find a problem when you are cutting back, and where do you find a problem when day care providers are just overloading, because the more they are charging for things you don't have to have, then that's a greater burden on them.

Chairman MILLER. Without objection, we'll ask the staff to try to secure that seven State study.

[Information referred to retained in committee files.]

Mr. WOLF. Another question—I'm trying to be fast—do the colleges have a major in this, or is this taught at the community centers and State colleges? Is there a major in day care?

Ms. CARNES. There are majors in early childhood development and in child development. It's called different things in different places.

Some schools also have a sequence in their home economics department that addresses the kind of child growth and development issues that we are concerned about.

Mr. WOLF. Is the enrollment in those courses going up or down, or is it level?

Ms. CARNES. I don't know.

Mr. WOLF. Could we find out? Somebody said it is down. Could we find out, Mr. Chairman, from the State colleges and community colleges what is the enrollment? Is it going up? Because we know the need is going up. Are the number of people that are majoring in this and going to provide the services—is it going up, or is it going down, or is it level?

Dr. ARONSON. I can't answer that particular question, but I can answer the one you asked earlier about the involvement of health concerns in CDA training and in other training programs. There's a real deficiency here, and I think you have pointed it out.

When I have looked at CDA standards, they tend to require that certified personnel maintain a safe and healthy environment, but for most laypeople the terms "safe and healthy environment" need further definition. To really understand what the terms mean the focus must be on actions to reduce specific health and safety risks of group child care. It's one thing to manage your own home, but when you get children together in groups, there are some additional specific issues.

This deficiency is true also of the college programs. The early childhood education programs are usually run by educators with very little health professional input. It's beginning to change. There are an increasing number of health professionals, who are taking an interest in day care, so there are now nurses, pediatricians, and public health officials who are interacting with programs like CDA on the local basis. It's just starting, and what we need is that model code so people can begin to recognize that a deficiency exists in the standards and in the education of the personnel expected to meet the standards.

Mr. WOLF. Yes. And also a model, in essence, of what a typical course should be at Penn State or George Mason, if you are going to major in this, because if you say just educators—and I have nothing against educators, with all due respect; I love them; my children spend more time with educators than they spend with anybody else, but I think you want some practical aspects, in the model so that when the course of study is set up, the educators have some direct experience of what they should be putting in and teaching.

Ms. GARY. Could I ask the realist a question, though? If in fact the number of teachers in this country is going down, and if there is no profitability in day care, and if this is a low-morale, low-pay kind of profession, what would make anyone think that someone would want to go into that kind of profession unless they had some commitment to it?

I want to back up to your comment about the CEO's in business. Last year I had an experience working with them through Governor Hunt's Education Commission Task Force on Economic Growth.

My experience in just dealing with them on a personal kind of level is that, yes, we do need to sit down and talk to them, that they are much more amenable to many things once they are educated on an issue, but I also found out, we make much ado of what the private sector is going to do for us.

What we heard from those CEO's is, "Yes, we are willing to do some things, but we have our limitations. We're not willing to go the whole gamut. We're only willing to do specified schools, like adopting one school, or doing something that only sets very narrow precepts."

They also are not willing to go into those ghetto areas and those places where we know child care is really needed for those women and minorities and the disenfranchised to go back to work.

I have problems. Yes, you know, I've gone through every gamut of child care there is. I've been poor, I've been divorced, I've been married with help. I still have problems with child care, too. It's not just the poor women in this country.

So we are talking about a multifaceted issue that can just not be narrowed down to one group or one set of people, and I don't think the private sector is going to go into those areas to help those people. I have not seen it.

As I said earlier, I'm not going to berate this administration for what it hasn't done, but let me say, it stands on its record. It has done nothing for those women or men, let me say—and the men can stay home, too, to take care of those children—to help them to find adequate child care, so that we can have a working society. Everybody here is not getting fair treatment.

Mr. **Wolf**. You make some good points, and I respect them. However, we obviously have some fundamental differences.

My comment really was directed in a spirit of friendship. I believe that the gentleman whom you are not overly enthused with is going to live at 1600 Pennsylvania Avenue for the next 4 years.

Ms. **Gary**. I probably agree.

Mr. **Wolf**. So if we are in an adversary process, that's not going to help.

I would like to see, and I've even suggested to the White House, that the President meet with the Fortune 500, and sit down and say, "Fellas, come on and have lunch"—everyone would come to the White House if he did it—and then let them know what is in the Economic Recovery Act; let them know.

I think you are right, that corporate leadership will not do it unless they are educated to it and given these incentives, but there are a lot of incentives that they don't even know about.

I was shocked to find out that people in my district, heads of corporations, didn't know what was in the Economic Recovery Act—didn't know what was in the act that they could use to benefit their employees.

Again, I'm not being political, but we are going to come down to low unemployment, and you have somebody working for you, you want to keep him, and when you find a good person, man or woman, you want to keep them, you don't want to lose them.

I predict—and I don't know if Dr. Tate covered this the other day or not—the company in 3 to 5 years which offers child care services is the company that people are going to want to leave one company in order to go to that company. That's going to be the biggest recruiting tool probably that they are going to have.

I think you are right. They are not ready for it yet, but we have that opportunity to break them loose, and if we break them loose, I think it's going to be a whole new opportunity for us all out there. I just appreciate it.

I have no more questions.

Chairman **Miller**. I appreciate the comments of the gentleman from Virginia.

It's very clear, I think, after your study, that if the corporations do not participate, we will never come close to meeting the need and the demand for child care in this country; it's that simple. You know, it's going to be a mosaic of people participating together. It's quite clear that a great deal of education and support has to go on out there.

Let me delicately raise a subject which causes me great concern, giving the events of the last couple of months and our last 2 days' of hearings. My understanding is that there may be a proposal within this administration to cease funding for CDA or reduce it.

At a time when there is more national concern and outrage about child abuse, and with people saying that parents have got to be better consumers and better listeners I would consider this to be a very bad move.

This organization has been involved with a quarter of a million parents. Trying not to make a great political gesture here, I just think that this would be a tragic move, until we have the ability to sift out exactly what is happening in these care facilities either by providers or by parents.

It has become, I think, fairly clear that training of both parents and family day care providers is very important. I would think that this committee would view that effort at this time, without some real consultation by the Congress, as a very bad move. I don't know if it goes beyond your organizations or if there are others, but I raise it because you are here.

It would be a very, very bad thing to do at this time, when I think both the House is trying to sift out what's happening and States moving very quickly to implement further requirements, licensing, and fingerprinting. The U.S. Senate is about to move in some of this same direction—cutting CDA funds would not be a good thing to do.

Thank you very much.

Ms. CARNES. Mr. Miller, may I make one other comment, please, for clarification?

Chairman MILLER. Sure.

Ms. CARNES. I was concerned about the dialogue with Mr. Wolf in regard to the model codes or regulations that might be put forth from the Federal level and the comments from the American Academy of Pediatrics.

I think it's important that we understand, for example, in turning to CDA on the health and sanitation area, that CDA is not intended to provide the only standards that should apply in child day care facilities. The States have roles to license those facilities.

Now, as I think most people in this room would agree, there are some serious deficiencies in that area, and I agree with the Academy of Pediatrics that there needs to be a health and sanitation model regulation that could be given to the States to assist them in knowing how to address this effort.

The same would be true in the fire safety area. It would be most helpful if there would be a Federal example of what regulations might look like, if we could have that kind of model in the staff qualifications area and in the training of care-givers area as well as the training of monitors or inspectors of child day care facilities.

This is an appropriate role for the Federal Government, and the Children's Bureau recognized in the mid-1970's that there was a need in the regulatory area and did develop a model code, a model law, that States could put in place, and it was followed in many States.

I'm suggesting that what we need is a similar kind of effort as it pertains to regulations, suggested regulations for States to implement in the health and sanitation and fire safety curriculum qualification area, and so forth.

Also, I appreciate very much your comments on the continued funding of CDA. It's true that there has been discussion about not continuing that. We do not believe that that's the current thinking at ACYF, and, as a matter of fact, we have submitted our proposal for a November date for the continuation of our grant, and I'm meeting with the commissioner of ACYF this afternoon and hope that I will find that their thinking has responded to some of the realities that exist that you've just addressed in terms of the tremendous need for a continuation of this kind of effort.

Chairman **Miller**. Let me thank this panel very much for your contribution, and your testimony, and your time. Thank you.

We're going to run into a problem here. We are especially going to run into a problem with Ms. Brubaker, and that is, this is a quorum call, which will probably be followed by a 5-minute vote, which is going to take at least 20 minutes, if that's the only effort on behalf of the committee.

Ms. Brubaker, where are you? Do you want to testify now, or do you want to submit your testimony? I know you have a time problem.

Ms. **Brubaker**. I can wait.

Chairman **Miller**. You can wait? I think it would be best to believe that we will try to come back here at 1:15, and we'll take the next panel then immediately and just do the best we can.

[Recess.]

Chairman **Miller**. The committee will reconvene, and we will hear from our fourth and our final panel, and I understand, Mr. Theban, that you have some time problems. So we will hear from you first. Apparently, you have taken care of yours, Ms. Brubaker.

Ms. **Brubaker**. Yes.

Chairman **Miller**. When you miss the last plane, there's no more time problems. Thank you for sticking with us, though.

Go ahead.

STATEMENT OF JOHN THEBAN, EXECUTIVE DIRECTOR, FAMILY AND CHILD SERVICES, WASHINGTON, DC; COALITION OF FAMILY ORGANIZATIONS

Mr. **Theban**. I'm John Theban, and I'm the executive director of Family and Child Services, which is a local, nonprofit social agency, but I'm speaking today in behalf of the Coalition of Family Organizations known as COFO, on day care. The organizations comprising COFO are the American Association of Marriage and Family Therapy; the American Home Economics Association; Family Services of America, of which my agency is a member; and the National Council on Family Relations.

With your permission, sir, I'd like to amend and abridge the statement which you have here, and you can take into account, of course, that it goes for all things that are good, and talk about some other things.

Principally the testimony this morning brings to my mind——

Chairman **Miller**. If we could ask you to bring the microphone a little bit closer to you.

Mr. **Theban**. Yes, sir.

Chairman **Miller**. Your written statement will be put in the record, and if you would like to respond to what happened earlier this morning, you are more than welcome to.

Mr. **Theban**. Yes, sir. The first thing, I wondered whether I was the only one old enough here to remember the Lanham Act and the consequences of it, but I've been assured the staff has looked into the earlier Federal interest in day care.

I would like to say that at the end of the Second World War, this enterprise, which, as you know, was designed not so much for child care as to free women to work in the war industries, continued after the war to some degree, and I was surprised to find here in Washington that a local group had established an organization known as Foster Daycare and Counseling Association to fill a gap in child day care through the use of families rather than groups.

This group had thought this was the obvious remedy of choice for young children—that children under 3 should in very extreme circumstances only be in institutional care, and this was something in which I found myself very much in agreement.

So I would like to say that one of the areas of great concern, one in which I personally am still involved, is the offering of family day care for young children.

I hope that the committee, in its deliberations, will look seriously at the efforts to safeguard children in this setting, which, in my view, include not only sound licensing provisions and accepted agreed upon standards, and methods whereby these things can be enforced. I think that family care is still the remedy of choice for young children and would therefore hope that equal emphasis, since so many children are involved in it, be given to considerations of the needs in that area as well as to group care, whether the service be given in schools, by teachers and by anybody else.

I think my prejudices also come from observations, and I can remember very well some years ago visiting a day care center in which there was a line of swings—little swings like A frames, with clockwork on the top, and there was a young lady who had the duty of going and winding up the springs periodically, but that of course was in the days before TV was so popular.

But I think that beyond all I've said, my major point is, I don't think that anybody has improved on women raising young children. They shouldn't be deprived of the maximum virtues of the warm, loving association, which they do not get from their parents for at least part of the day.

So, having said that, I will revert to the organizations I represent, and skip page after page, until I come to——

Chairman **Miller**. You are going to be the hero of this hearing room.

Mr. **Theban**. I'm working for it—to a summary of the assumptions on which the COFO, which I alluded to earlier, takes its stand—it is that child day care should be accessible to all families who need it—obviously it isn't—that communities should offer a variety of day care programs reflecting the diversity of families as well as the diversity of needs; that child day care programs should promote growth and development as their essential thrust; that community child-day care systems should operate on the same standards of quality, regardless of the funding sources and the methods of payment; and that artificial barriers to providers should be removed; that community day care providers should be required to receive adequate training, which can be given even when they are working in their own homes; that the Federal Government needs to assume a role to assure that families have the option to obtain good quality day care at an affordable cost; that the Federal Government needs to be particularly sensitive to the special vulnerability and child care needs of single-parent families with limited incomes; and that the Federal programs that are targeted on the Nation's poorest families, including the unemployed, need to be especially sensitive to the importance of child day care in the lives of these families.

This concludes the statement of the COFO organization, most of which I have skipped.

I'd like to add a final observation on the importance of child day care in this society. Mr. Chairman, we all owe you a debt of gratitude for the leadership you have provided in bringing the matters of preventive services for at-risk families and permanency planning for foster children before the policymakers of this Nation.

Without the tenacious leadership that you have provided for many years, Public Law 96-272 might never have become law, and that legislation represented a breakthrough in national policies affecting families and recognized the importance of providing preventive services to families who might otherwise be unable to keep their children out of foster homes.

This legislative effort which focused national attention on the desirability of providing preventive services rather than corrective remedies for family pathology has, I believe, a correlation to the child day care issue we are discussing today.

It seems to me that the statistical realities of the labor market, as indicated above and by other people, make it timely for the Congress to find answers that go beyond the dependent care tax credit to help families discharge their day care needs. Such a policy breakthrough should rest on the understanding that the financial and emotional well-being of individual families is often dependent on finding quality day care in the community.

There is a need, I think, for the select committee and for the Congress to consider how they can bridge the financial barriers that often make it impossible for communities to develop the quality of day care needed by families.

[Prepared statement of John Theban follows:]

Prepared Statement of John Theban, Chief Executive Officer, Child and Family Services, Washington, DC; on Behalf of the Coalition of Family Organizations

Mr. Chairman, members of the Select Committee:

I am John Theban, Chief Executive Officer of Child and Family Services here in the District of Columbia, a position I have held since 1951. Our agency was founded in 1882 and serves approximately 15,000 families and individuals each year. The board and staff of Child and Family Service have a keen interest in public policies that aid and strengthen families. This is especially true of public policies that concern the child day care system in this country. Because of our agency's keen interest in this matter we welcome the opportunity to be here today to represent,and speak in behalf of, the Coalition of Family Organizations (COFO) on the important topic of child day care.

Four national organizations comprise the Coalition of Family Organizations: The American Association of Marriage and Family Therapy, The American Home Economic Association, Family Service America (of which my agency is a member) and the National Council of Family Relations. The leadership of these four organizations welcomes the invitation of the Select Committee to testify on the topic of child day care and the needs of families. COFO was formed in the fall of 1977 to speak out to policy makers on matters of great importance for the families of our nation. It considers the issue of quality child day care for families to be of the utmost importance. COFO commends the Select Committee for placing a priority on this very important matter at a time when vast numbers of mothers,either by necessity or by choice,are joining the labor market. It is estimated by the U.S. Government that the families of thirty million infants and children will need child day care by 1990.

Our statement will be brief and to the point. COFO's position is derived from the assumption and belief that child day care programs and services should support the efforts of families to discharge their own responsibilities. Also COFO believes that families should have choices about matters that affect them and the way they care for their children. These choices should include the option for a parent to stay home to care for young children if that is the preference. Finally, a family should have some choice in the kind of day care available in the community.

To protect and assist families and their children, COFO believes that community standards are necessary as is availability of information referral and parental support systems (to provide support and guidance to parents where it is needed and wanted.) Further, communities should also assure that those caring for children in day care settings receive suitable training.

COFO endorses the need for a legitimate federal role and commitment in assuring that communities can provide quality child day care structures which can support families in carrying out their responsibilities.

The only broad based federal program to assist families is the dependent care tax credit. This policy assists families in an indirect fashion by using the tax system which provides a tax credit on a sliding scale to families who pay for child day care -- or care for other dependent family members in need of special day care. This program is limited to families having available resources to purchase such care as needed while receiving the tax credit at a later time. It is estimated that almost $2 billion dollars in tax credits are received by tax payers through the dependent care credit. This federal investment in families provides an important component for a larger system that needs to be built for the families of this nation.

COFO believes that Congress needs to think comprehensively about child day care needs of families in this country and formulate responses that can address those needs in a meaningful, coherent manner.

Our general concern for families recognizes that certain families have special needs. In that context we would like to express some concerns about the needs of single parent families.

COFO members regard the plight of single-parent families--and the lack of resources available to them, especially child day care, as a matter of major public policy concern. The Congressional Budget Office has estimated that one in four children under the age of ten will live in single parent families in the 1980's. These children are often at risk. Census Bureau data confirms that children living in two parent families enjoy nearly three times the family income of mother-only families. These statistics indicate that policy makers must be especially concerned about the child day care needs for single parent families.

It is unfortunate that federal programs to subsidize the nation's poorest families' child day care needs are among the programs sustaining major federal cuts in recent years. The two most obvious examples of such cuts are in the Title XX program and in the USDA Child Care Food Program. Meanwhile, recent statistics tell us that the number of poor families in our country are at the highest levels in thirty years. Such statistics represent the terrible anguish of many families entrapped in a rapidly changing economy. Job retraining and other opportunities for parents displaced from the labor market are often dependent on available child day care. COFO is concerned, for example, that the Jobs Training Partnership Act did not contain specific resources directed toward providing child care for parents undergoing job training or retraining. Because of the factors cited above, it is the recommendation of the COFO organizations that the Select Committee pay very special attention to the needs of single parent families and the ways that existing federal programs can be restored or improved.

In summary the underlying assumptions of the COFO position are:

- Child day care should be accessible to all families who need it.
- A community's child day care system should operate on the same standards of quality regardless of funding sources and method of payment.
- A community should offer a variety of child day care programs reflecting diversity of families as well as diversity of needs.
- Child day care programs should promote growth and development as their essential thrust.
- Artificail barriers to providers should be removed.
- Community child day care providers should be required to receive adequate training.
- The federal government has an important role in determining how to be most supportive of families in their efforts to obtain quality child day care at an affordable cost.
- The federal government needs to be particularly sensitive to the special vulnerability and child care needs of single parent families whose income is often very limited.
- Those federal programs that are targeted on the nation's poorest families-including the unemployed--need to be especially sensitive to the essential importance of child day care in the lives of these families.

This concludes the position statement of the COFO organization. I would like to add a final observation on the importance of child day care in this society. Mr. Chairman, we all owe you a debt of gratitude for the leadership you provided in bringing the matters of preventive services for at risk families and permanency planning for foster children before the policy makers of this nation. Without the tenacious leadership that you provided for many years, P.L. 96-272 might never have become public law. That legislation represented a breakthough in federal family policy and recognized the importance of providing preventive services to families who might otherwise be unable to keep their children out of a foster home.

This legislative effort which focused federal attention on the desirability of providing preventive services rather than corrective remedies for family pathology has, I believe a correlation to the child day care issue we are discussing today.

It seems to me that the statistical realities of the labor market, as indicated above, make it timely for the Congress to find answers that go beyond the dependent care tax credit to help families discharge their child day care needs.

Such a policy breakthrough should rest on the understanding that the financial and emotional wellbeing of individual families is often dependent on finding quality child day care in the community. There is a need, I think, for the Select Committee and for the Congress to consider they can bridge the financial barriers that often make it impossible for communities to develop the quality child day care resouces needed by families.

Thank you.

Chairman MILLER. Thank you very much.

Ms. Brubaker, if you have other time problems, go ahead. You have been so nice to stick with us this long. Come here; you can share the hearing.

STATEMENT OF NINA DOBKIN, MEMBER, CHILDREN AND YOUTH PRIORITY, NATIONAL COUNCIL OF JEWISH WOMEN

Ms. DOBKIN. I'm Nina Dobkin, a representative of the Children and Youth Priority of the National Council of Jewish Women. I'm also a member of the Bayonne, Jersey City, section in New Jersey of the National Council of Jewish Women, and, as such, I participated in the organization's 1968 survey on day care which culminated in the publication in 1972 of "Windows on Day Care."

The critical need uncovered in my community by that survey prompted my section to establish the Bayonne Community Day Nursery, a private, nonprofit center, licensed by the State of New Jersey and run by a board of directors consisting of a cross-section of community members and parents of children in the day care center.

I served as president of the board of directors for 9 years, and now I am responsible for raising funds to meet the ever present deficit.

Sections across the country have been actively involved in establishing and maintaining child care facilities, and my testimony is reflective of our combined experiences, although I will cite instances from the day care center that I'm most personally involved in.

We found that the need for child care is crucial in every socioeconomic level. You've heard that a few times today, I think.

At present, the Government subsidy of child care is not available to those with low-paying jobs. They don't meet eligibility requirements, but they also can't afford the full cost of day care. I can illustrate the problem with this catch-22 situation that happens to us many times. I'll give you one case that will show you what happens.

We had a welfare recipient that came in and placed her child in our day care center. She diligently studied until she qualified for a job as an inhalation therapist. At that point, her income exceeded title XX limits, and her child was no longer eligible for care. With no affordable child care available, she had no job, so she was once again eligible for our day care center.

Today—I guess it was yesterday—our day care center director called me. She was frantic. She said she had a mother that came in; the income eligibility for a family of two was $13,404; and this young woman came in, and she was earning $16,000, and therefore she was not eligible to get subsidized care.

Now every other day care center in Bayonne is a private day care center that charges $65 a week, and so there was just no place for her to go, and we are kind of hamstrung by this cutoff point in the rules.

We do think that child care should be available on a sliding scale, so that child care services could be accessible to everyone who needs it, regardless of their income.

Another underlying problem seems to stem from the fact that the costs are grossly underestimated, resulting in unrealistic Government subsidy.

You've heard many times today that day care personnel are among the lowest paid professionals, but I have to tell you, it breaks my heart to see young, very idealistic women come in; they have early childhood degrees, we give them very good inservice training, they get experience, they are terrific, and they are getting $8,500 a year to start. That's lower than the parents who are on public assistance.

What happens is that they have to get second jobs, they are exhausted when they come in, and then they just wear out, and they go into other careers when they are so good at what they do. Our children lose their sense of well-being and security, it threatens the continuity of care, and we're losing the best and the brightest in the field.

We also believe that child care centers must and can play a vital role in the early detection of medical problems and learning disabilities. Again, medical screening services are, for the most part, unavailable because the costs are so excessive, and Government funding does not take that into account when they are giving us our subsidies.

With family child care homes becoming an alternative, again, we agree that it must be upgraded, but let me tell you an interesting story of how a Tulsa, OK, section responded to this. They sponsored a van containing books, toys, and visual aids for the use of family care homes. The driver, who was a trained child care professional skilled in the application of the materials, traveled from home to home conducting workshops with the child care providers. Volunteers accompanying the driver helped to take care of the children while the caretaker was participating in the workshop.

I think something like that might be very practical and probably not too costly in terms of doing it on a widespread basis.

It really is essential that some kind of program and funding can be made available so that these family care providers can be trained to offer quality care. Otherwise, you're just going to have custodians lining children up in front of a television set.

Also, the training could serve as a path up the employment ladder for these people. They could be trained to become teacher's aides and such in a child care center.

Of course we know all these improvements are costly, and everybody worries about that today, but we do believe that we can develop incentives for the private sector to become a partner in this endeavor.

I think Federal startup funds would encourage industry and hospitals to establish onsite day care facilities when it's practical. I think matching funds could provide an incentive for local and State governments to contribute more generously toward child care services. Tax incentives might well convince industry to consider flextime, paternity leave, and full or part payment for child care as a fringe benefit.

I think tax incentives might also stimulate physicians and dentists to donate their services to child care facilities for early screening.

I have personally observed a positive response to the presence of Federal matching funds. Our Bayonne City Council was more than willing to budget for our day care center with the promise of a 3-for-1 match from title XX.

Initially, they were very reluctant to accept an additional burden in their budget, and they were afraid that it would keep mounting and they wouldn't be able to handle it, but once that 3-for-1 match was mentioned, they were very willing to go into it.

The Maidenform Corp., which is one of the industries in our town, responded very generously to our plea for funding to continue our health screening program when they learned their contribution would bring in enough Federal funds to completely finance blood screening, audiology, and neurological testing.

We are in an industrial town. I wish I were as optimistic as Mr. Wolf in terms of getting industry to come in heavily. Exxon did give us some funding and some help, and Maidenform. With all the other industries in town, we were lucky sometimes if we got a $25 contribution from time to time.

In order to develop a comprehensive policy and effective program of child care in this country, it is essential that the Federal Government establish an effective, centralized mechanism for communicating and coordinating regulations, grants, related services, and outreach to the States, so that the States can coordinate child care services in their communities. This kind of effort is needed in order to facilitate accurate assessment of the need for child care and related services, such as staff training, medical screening, and family support services.

I have additional material included in my written testimony, which has already been submitted to you, and we sincerely appreciate the opportunity to contribute to this effort and offer continued support for the select committee's work.

Thank you very much.

[Prepared statement of Nina Dobkin follows:]

PREPARED STATEMENT OF NINA DOBKIN, MEMBER, CHILDREN AND YOUTH PRIORITY, NATIONAL COUNCIL OF JEWISH WOMEN

National Council of Jewish Women Testimony on Child Care

I am Nina Dobkin, a leader in the Children and Youth Priority of the National Council of Jewish Women (NCJW). We salute and support your important decision to open a nationwide debate on the need for comprehensive child care services. I am grateful for the opportunity to testify before you today on an issue of deep concern to our organization—child care. Since its inception in 1893, the National Council of Jewish Women has focused on the needs of children and their families. Indeed, the welfare of children and youth is a priority concern for the organization's more than 100,000 members in 200 communities nationwide. Many of our community service projects and advocacy efforts are in behalf of the nation's children and, in that regard, we have offered testimony at the local, state and federal levels in the past.

Since 1911, NCJW has had a National Resolution calling for adequate, quality child care in America. At our 1983 biennial convention in Washington, DC, delegates adopted a resolution endorsing "quality, comprehensive child care services available to all." This was in accord with NCJW's belief that "a healthy community, sound family life and individual well-being are interdependent."

Today, our testimony will focus on the increasing need for child care services, the problems facing child care providers and some specific recommendations for an effective child care policy.

The Critical Need for Child Care

As a member of the NCJW Bayonne, New Jersey, Section, I participated in the organization's 1968 survey on day care which culminated in the publication, in 1972, of Windows on Day Care. At that time, NCJW volunteers across the country found that:

> While there has been some expansion in the number of licensed day care homes and centers in recent years, the growth in services available has failed to keep pace with rapidly rising need. Large numbers of children are neglected; still larger numbers now receive care which, at best, can be called only custodial and which, at its worst, is deplorable. Only a relatively small proportion are benefiting from truly developmental quality care.

The critical need uncovered in my community by that survey led my NCJW Section to establish the Bayonne Community Day Nursery in 1969. I served as president of the center for nine years and am now a member of the board of directors. In addition to my NCJW Section's involvement, Sections across the country have been active in establishing and maintaining child care facilities in their communities.

It is startling to compare those bleak findings from the National Council of Jewish Women's survey of over a decade ago to findings published by this Select Committee in its 1983 Year End Report:

> Although adequate child care remains unaffordable or unavailable for many, there are no adequate public or private initiatives underway. Continued inattention to appropriate child care policies will compound the already strained financial and emotional circumstances of millions of families, as well as place increasing numbers of children at risk of inadequate or non-existent supervision.

The Year End Report makes it clear that there is still a desperate need for adequate quality child care in this country. Whatever strides have been made over the past decade have been insufficient to meet the ever-growing demand on the part of this nation's families for affordable, quality care for their children.

This need not only includes pre-school day care but after-school care for so-called latchkey children, infant care, and night-time supervision for children whose parents work on split shifts. For example, although the Bayonne center now has 95 children enrolled, our waiting list numbers over 100 children.

The need for child care crosses economic lines and urgent pleas for entry into our center are registered by the welfare recipient who has an opportunity to participate in a job training program, the professional single parent who must have child care before resuming a career and the two-parent working family requiring two incomes for minimum subsistence. Statistics bear out the fact that an increasing number of children in every socio-economic group are living in homes with either a single working parent or two working parents, yet many such families cannot meet the rising costs of quality child care. Quality child care available on a sliding fee scale would make such services available to all regardless of ability to pay. At present, in many cases, government subsidy of child care is not available to those with low-paying jobs who may not meet eligibility requirements but who cannot afford the full cost of child care.

We frequently observe the "Catch 22" situation represented by a welfare recipient who placed her child in our Bayonne center and diligently studied until she qualified for a job. Then, because her income exceeded Title XX limits, her child was no longer eligible for care. With no affordable child care available, the mother had no job, was once again on welfare and able to register her child in our program.

Problems Faced by Child Care Providers

An underlying problem in current government programs to subsidize quality child care is the fact that costs are grossly underestimated. Staff members, who play such an important role in making the difference between custodial and quality care, are among the lowest paid professionals in the workforce. Our center struggles continually to raise money from individuals, organizations and industry in our community to meet an ever-increasing deficit which exists in spite of careful and frugal management. Our staff--well trained, experienced and caring professionals--are shamefully underpaid. Early childhood specialists with college degrees are paid $8000 a year--salaries lower than our children's parents who are on public assistance. Some of our teachers work for us from 7 a.m. to 2 p.m. and then must take second jobs to make ends meet. Many, in desperation, must change careers and leave. This makes most centers "revolving doors" where high attrition rates among staff threatens the continuity of programs and the children's sense of well-being and security. In addition, the centers are left to undertake the expense and time needed to hire and train new staff members.

Medical screening services which could play a vital part in saving public funds in a child's later years are, for the most part, unavailable due to excessive costs. Family support mechanisms, a natural outgrowth of child care centers, are likewise unaffordable for facilities that struggle to even provide the basics to their clients. NCJW believes that child care centers can and must play a vital role in the early detection of medical problems and learning disabilities.

More and more parents are turning to family day care homes for child care, making it increasingly important to upgrade such facilities. Home care mothers are often untrained with limited resources, providing only the barest of custodial care. NCJW proposes that provisions be made for developing community-wide networks among such homes so that educational materials, resources and even toys might be shared. The Tulsa, Oklahoma, Section of NCJW, for example, sponsored a van containing books, toys and visual aids for the use of family care homes. The driver, a trained child-care professional skilled in the application of the materials, traveled from home to home, conducting workshops with the child-care providers. Volunteers, accompanying the driver, helped with the children while their care providers were participating in the workshops. It is essential that funds and programs be made available so that such family care providers can be trained to offer quality care to children. This training would also serve as a way up the employment ladder for the providers.

Recommendations

All of these improvements cost money, perhaps more than the federal government is able to allocate in this era of burgeoning deficits. Nonetheless, NCJW strongly believes that any investment made to upgrade and expand the child care in our country is one that will ultimately yield benefits to the economy as well as to the children and families of this nation.

Longitudinal research by the High/Scope Educational Research Foundation, a prestigious Michigan-based research center, has demonstrated the social and economic benefits of high quality early childhood programming. Their research indicated that for each $1000 spent on pre-school programs, $4130 has been, or will be, returned to society in reduced costs for special education and facilities required for delinquents. Almost twice as many youngsters who had not had pre-school were arrested by the age of 19. On the other hand, for every 100 youngsters included in the study who attended pre-school, 48 were employed and self-supporting as young adults; of those who had not attended pre-school, only 29 were employed and self-supporting.

We also believe that through carefully developed programs of incentives, the government would encourage the private sector to become a partner in this endeavor. We recommend programs to encourage business subsidies of employees' child care costs in existing facilities and involvement by small firms in coalitions with other companies and community groups to establish day care facilities.

As the Bayonne Community Day Nursery's current fundraising chairperson, I have observed a positive reaction to the presence of government seed money. Our City Council was more than willing to budget for our day care center with the promise of a three for one match from Title XX. Maidenform Corporation responded generously to our plea for funding to continue our health screening program when they were informed that their contribution would bring down enough federal funds to completely finance audiology, blood screening and neurological testing.

NCJW thus recommends such matching funds which would provide an incentive for local and state governments to contribute more generously toward child care services.

Tax incentives are another means to foster a public-private partnership in providing for child care needs. For example, tax incentives could well convince industry of the need for flex-time, paternity leave and the provision of full or partial payment for child care as a fringe benefit. In addition, tax incentives could stimulate physicians and dentists' donation of services to child care facilities for early screening programs.

In order to develop a comprehensive policy and program of child care in this country, it is essential that the federal government establish an effective centralized mechanism for communicating and coordinating child care projects, grants, related services and outreach to states so that, in turn, states can coordinate child care services in their communities. This kind of effort is needed in order to facilitate accurate assessment of the need for child care and related services, referral and coordination of such improvements as staff training, medical services and family support services.

Summary

Despite improvements and expansion of child care services, the increase in two-working parent and single working parent families has made the need for affordable and available quality child care crucial in our country. The costs of providing such child care are underestimated to the extent that existing centers must cut down on important support services to the children enrolled and must cope with high attrition rates among underpaid professionals. Family child care homes are becoming an alternative for many who seek care for their children, thus creating a pressing need to upgrade such care by training child-care providers and networking to make resources available to such homes.

NCJW urges government to develop incentives for state and local governments and industries to help fund existing centers and to establish new ones. Reliable studies show that such an investment in quality care for our nation's youngsters can result in a healthy and more self-sufficient population of citizens in the future. Such policies and projects would be most effective if coordinated centrally on a federal and state level.

Once again, the National Council of Jewish Women applauds this Select Committee on Children, Youth and Families for the bold initiative it has taken by focusing on the child care needs of this nation. We appreciate the chance to contribute to this effort and offer continued support for the Select Committee's work. Thank you.

# # #

Chairman **Miller**. Thank you very much for your testimony, and I think the entire day care community owes the national council a debt of gratitude, I guess, if you will, for the "Windows on Day Care" report, sort of where we all started.

It's interesting that we haven't moved very far from your findings, but that was a different decade, and I think that the testimony that this committee has received has demonstrated that we are far beyond the issue of establishing need, and most of the testimony has been how do we provide the service that is recognized as a necessity.

Thank you very much. You are excused.

Who has the next time problem here?

STATEMENT OF CYNTHIA BRUBAKER, PUBLIC POLICY CHAIR, THE ASSOCIATION OF JUNIOR LEAGUES, INC.

Ms. **Brubaker**. My name is Cynthia Brubaker, and I——

Chairman **Miller**. Let me just say something, because I think it's interesting——

Ms. **Brubaker**. I'm never going to be able to——

Chairman **Miller**. No, I don't think you are going to be allowed to testify. We have heard enough from you. [Laughter.]

I think that Congressman Wolf raises a very important point, because he did something that I'm not sure any other Member of Congress has done, and that is, he made a very intensive effort, using his office—he has more access to the White House than I do—but the White House, the private sector—in going at an intensive educational effort at the private sector, and finally found at the end of a long period of time he was getting some response, and he was getting response probably more than most private initiatives anywhere else because they are usually one-shot meetings, breakfasts, or lunches, and people kind of wander off and say, "Well, that's an interesting idea," and then they go back to what they were doing before.

So I think that one of the things that those of us who are major promoters and advocates of child care have got to consider is how do you do the intensive, long-term approach with corporations so that they start to see, and now we are seeing more and more evidence that you can now take to them hard facts that, "This is in your benefit," which is a different argument than they have heard for almost a decade.

That's not to suggest that they are going to meet the entire problem, they are not either, but I just think that people ought to understand. That's the experience where he really made an incredible effort for a Member of Congress to go out and sort of grab some of these people by the nape of the neck and say, "Pay attention here," and then he went out again, and again, and again, and again, and it started to work.

So excuse me.

Ms. **Brubaker**. OK. I'm from——

Chairman **Miller**. One other thing. [Laughter.]

Ms. **Brubaker**. I'm from Indialantic, FL, and I'm chairman of the Association of Junior Leagues' Public Policy Committee, and I also serve on the board of directors for the Florida Center for Children and Youth, which is a child advocacy group in Florida, and we have been working on day care licensing standards in Florida for a long time and still have a ways to go.

I've submitted written testimony, and with your permission, I'm just going to make it briefer.

The Association of Junior Leagues is an international women's volunteer organization with 249 member leagues in the United States representing approximately 150,000 individual members.

Junior Leagues promote the solution of community problems through voluntary citizen involvement and train our members to be effective voluntary participants in the community, and I think attached to the written testimony are a number of projects that we've been involved in throughout the United States in the area of day care.

As a women's organization, the association is particularly interested, and has been for a very long time, in the issue of child care. Junior League members are experiencing the same trends as those reflected in national statistics. That is, many of our members are working, and more are having to combine work and family responsibilities.

Most Junior League members are married, have children, and a substantial number are employed.

I am very pleased to have the opportunity to appear today to register the association's support for expanding and strengthening child care services in the United States. The issue of child care is of increasing concern to families and children since greater numbers of women enter the labor force. We have heard that repeatedly today, and I am sure yesterday.

While the association believes that new initiatives can and should be taken by the private sector, as well as by State and municipal governments, the need for child care cannot be satisfactorily resolved without the assistance of the Federal Government. Today nearly 50 percent of children under 6 have mothers who are employed. To put it another way, more than 10 million children are placed in day care each day, most in day care homes which are not regulated, licensed or supervised, so the need for improved child care is clear and well documented.

We believe that Federal leadership must be provided, especially direct funding for child care for low-income families. Seed money for initiatives of new programs, such as those for school-age children and information and referral services, the establishment of parental leave policies and incentives for States and communities to improve their licensing and registration processes.

Our written testimony, which all members of the select committee have received, describes individual league projects related to child care, and included among these are some innovative projects involving collaboration between the public and private sector, to develop information and referral services, and the establishment of "phone-a-friend" programs for school-age child care, as well as advocacy efforts to strengthen State licensing laws.

Many of Junior League initiatives at the Federal level, such as support of an increase in funding for title XX social services block grant, have been taken in collaboration with the association. The association board supports the following child care concepts:

One. Child care should be easily accessible and affordable to all parents who need and want it.

Two. A wide variety of child care programs should be available to meet the needs and preferences of children and their families. I think that has come out several times this morning.

Three. Certain minimum standards of licensing requirements should be in place to insure health, safety and well-being of children.

Four. Strong information and referral systems should be established.

In 1981, the Association of Junior Leagues, in collaboration with the Johnson Foundation, held a conference entitled "Child Care Options for the Eighties," at Wingspread Conference Center in Racine, WI. Affordability was identified as the number one issue on the agenda for action developed by conference participants, and these participants represented business, academia, as well as the voluntary sector.

Too many families cannot afford quality child care, and consequently resort to child care arrangements which are less expensive, but do not meet the child's developmental needs. Increased funding for title XX social services block grant, and expanding the sliding scale of the dependent care tax credit, and making the credit refundable were identified as key strategies to achieve affordability.

Participants at the Wingspread conference, and indeed most other observers in child care, have concluded that while a better public-private partnership is necessary, private incentives are not enough to bring about a child care system in which there is an adequate supply of affordable quality child care. Public support and leadership are essential.

In recommending greater Federal leadership to improve the affordability and availability of child care, we would like to call attention to the following:

First. The title XX social services grant is the most important source of funding for child care of low-income families. It's current level of funding is $600 million below the level of $3.3 billion established for fiscal year 1985 prior to the cuts made in title XX funding by the Omnibus Budget Reconciliation Act of 1981.

Second. The $160-per-month limitation on the AFDC child care disregard is insufficient for quality child care, especially in urban areas.

Third. The association supports the provisions of the Economic Equity Act, which would increase the sliding scale of dependent care credit and make it refundable.

Fourth. The cuts in Federal grants to States and localities for child care funding have resulted in a decline in State standards and monitoring of child care services. We believe incentives should be provided by the Federal Government to encourage the setting and monitoring of standards.

Fifth. There is a need for Federal leadership to encourage the development of family child care systems which would raise the standards of family day care in, for instance, training, certification and regulation.

Sixth. More information and referral services are needed. These resources also help communities see the gap between supply and demand and to more effectively plan for adequate child care services. The association believes the Federal Government should provide seed money for information and referral as proposed in the Head Start and Human Services Amendments of 1984 recently passed by the House of Representatives.

Seventh. The association also supports legislation which would provide Federal support for the development of school-age child care programs. As a matter of fact, I am involved in that now in my own community trying to get a program for latchkey kids, and the roadblock has been lack of funds.

Existing community resources such as schools and nonprofit community centers should be utilized in developing these programs, and we support the School Facilities Child Care Act of 1984.

Eighth. Only 40 percent of working women receive maternity benefits. The association supports policies which would affirm the right of parents to pay in job-protected leaves after childbirths. This could result in less need for health care facilities and help the children get a better physical and emotional start in the first critical months. Each of the recommenmdations we have presented would improve some area of child care.

At our Wingspread conference, the participants spoke of building blocks needed by communities to construct individual child care systems. The recommendations that we have made include some, but of course not all, of the necessary components that would help to improve and expand child care.

I appreciate the opportunity to appear today, and applaud your efforts in meeting this critical need.

Chairman MILLER. Thank you.

[Prepared statement of Cynthia Brubaker follows:]

PREPARED STATEMENT OF CYNTHIA BRUBAKER, PUBLIC POLICY CHAIR, THE ASSOCIATION OF JUNIOR LEAGUES, INC.

I am Cynthia Brubaker, of Indialantic, Florida, chairman of the Association of Junior Leagues' Public Policy Committee and a past president of the Junior League of South Brevard, Florida. The Association of Junior Leagues is an international women's volunteer organization with 249 member Leagues in the United States, representing approximately 150,000 individual members. Junior Leagues promote the solution of community problems through voluntary citizen involvement, and train their members to be effective voluntary participants in their communities.

As a women's organization, the Association is particularly interested in child care. Junior League members are experiencing the same trends as those reflected in national statistics--that is, many of our members are working; more are having to combine work and family responsibilities. Most Junior League members are married, have children, and a substantial number are employed.

I am especially pleased to have this opportunity to appear before you today to register the Association's support for expanding and strengthening child care services in the United States. The issue of child care is of increasing concern to families and children as greater numbers of women enter the labor force. While the Association believes that new initiatives can, and should be, taken by the private sector as well as by state and municipal governments, the need for child care cannot be resolved satisfactorily without the assistance of the federal government.

Today, nearly 50 percent of the children under six in the United States have mothers who are employed. Put another way, approximately nine million children under six are placed in day care each day--most in day care homes which are not regulated, licensed, or supervised. The need for improved child care is clear and well documented. We believe that federal leadership must be provided--especially direct funding for child care for low income families, seed money for initiatives for new programs such as those for school age children, information and referral services, the establishment of parental leave policies and incentives for states and communities to improve their licensing and registration processes.

What are the Trends Affecting the Need for Child Care Services

The primary cause of this growing demand for child care services for children has been the dramatic increase in the number of working women, especially among the mothers of young children. In the past 15 years, an increasing number of mothers of children under the age of six have returned to work. This rate is expected to continue to increase into the 1990's, especially among mothers of children under three, as not only lower income, but also middle income, women enter the labor force in order to maintain their standards of living.

Other important trends include:

- More than 53 percent of all women are in the labor force.
- Sixty percent of all children under the age of 18 have mothers in the labor force.
- Forty-one percent of mothers with children under age one are in the labor force.

- Six hundred thousand babies are born to teenage girls each year. They depend on child care if they are to return to school, complete their education, and enter the labor force.

- The number of female-headed households has increased by 97 percent since 1970. The poverty rate among such families with children under 18 is 68 percent for blacks, 67 percent for Hispanics and 43 percent for whites.

- Only 40 percent of American working women are covered by some kind of maternity benefit which is usually of short duration--generally less than 2 months. This is in contrast to 117 industrialized nations which provide some type of universal maternity benefit.

The demographic changes have also contributed to new levels of poverty for single-parent families with the result that an increasing number of American children under the age of 18 are living in poverty. In 1981, the average single mother with children earned only $9,495.00. Such a woman must have child care services in order to remain at work, but quality day care is increasingly out of her reach without some form of private or government subsidy.

The Scope of Child Care

Good quality child care is expensive. Infant care often costs more than $100 a week. Other child care, which costs $40 to $60 per week per child, is beyond the reach of most low income and many middle income families, particularly those with more than one child or those headed by single parents. Yet in 1983, a year in which almost half of the American women with children under six were employed, federal and state Title XX child care expenditures dropped to $623 million (from $703 million in 1981)--only sufficient to provide full time care for approximately 200,000 of the 8.9 million children under six in child care. As an illustration, the Junior League in Springfield, Massachusetts, in testimony before a governor's advisory committee, reported that in 1980, "approximately 89,500 children from families in Massachusetts with incomes below $15,000 needed day care for work-related reasons. This figure was six times as great as the number of work-related slots available through state funded day care services." In Connecticut, the Junior League of Hartford reports that fewer than 1/3 of all the children in Connecticut needing day care can be accomodated in licensed day care facilities.

Selected Junior League Child Care Projects

The programs related to child care supported by Junior Leagues across the country illustrate the ways in which private initiatives can encourage the development of child care services. Many of these initiatives involve a public/private collaboration with the Junior League providing seed money or matching funds needed to obtain government funds.

While we have not completed compiling the statistics for 1983-84 programs, we know that nearly half of all the Leagues reporting child care projects were concerned with the problem of the latch-key child, the school age child left in the home without proper adult supervision. Several also have worked on information and referral programs. A brief description of some of these projects follows. A listing of the 1982-83 projects is included as Attachment A.

The Junior League of Waterloo-Cedar Falls, Iowa is helping to develop a new program in response to the problem of the latch-key child. The project involves the development of eight half-hour video tapes with a curriculum developed to meet the emotional and safety needs of latch-key children in the 8-14 year age range. There were many attempts in the area to develop programs for latch-key children, but due to lack of funding, none emerged until the Junior League agreed to fund the present project with a grant of $6,500. Initially, the tapes are to be shown on cable television; later they will be available to schools and community groups that want to use them. The project is supported by a coalition of agencies and organizations promoting services for latch-key children, including Camp Fire, Girl Scouts, police departments, the American Association of University Women (AAUW), and child care advocates.

In part, this project is an outgrowth of the Black Hawk County Child Care Services Coordination Project which provides information and referral about registered family day care homes, and public information about children's services. Services to child care providers including consultation and assessment, toys, and educational materials are also provided. It is an example of what a community can do to improve child care services when the many interested parties work together and public support and incentives are available.

The Junior League of Peoria, Illinois also is dealing with the problem of latch-key children. The League became aware that many school-age children are home alone, when school is not in session, through its various volunteer projects and from the schools. The League initiated a Phone-a-Friend project, a helping network that will offer support and information to children at home without adult supervision during after-school hours from 2:30 to 5:30 P.M. This project is operating with a grant of $1,000 and volunteers from the Junior League.

The Junior League of Hartford, Connecticut has also initiated a Phone-a-Friend project (a "warm-line") for latch-key children. The League worked closely with the Connecticut chapter of Parents Annonymous and the Connecticut Association for the Prevention of Child Abuse and Neglect to develop the project. By January, 1985, the League hopes to operate a "warm-line" that will offer support and information to children at home without adult supervision during after-school hours. League grants of $11,000 for the first year and $5,000 for the second year provide the only financial support at this time, but the League is seeking other sources of support in the community. The hotline will be staffed by six to eight League volunteers.

The Detroit, Michigan Junior League also has established a PhoneFriend project for latch-key children in collaboration with the Family Life Education Council (FLEC). The League supplied the funding and volunteers and FLEC provided the office space, research, and additional volunteers. Volunteers answer the help-line between 3 and 6 P.M. weekdays. In the first week of operation, the project received 800 calls. Statistics provided to FLEC indicate that 70 percent of families in Detroit and 74 percent in the Grosse Pointe area consist of single parents or two working parents.

The activities of the Junior League of Des Moines in support of child care represent a variety of models for public/private partnership in the improvement of child care. In 1976, the Junior League of Des Moines provided seed money to develop the Child Care Resource Center within the Polk County Department of Social Services. The resource center serves as a sponsor for family day care providers participating in the Child Care Food Program. Because all participants in the Child Care Food Program must observe state or local licensing or registration laws, the family day care providers participating in the program must be registered. In Iowa, registration of family day care is voluntary. In 1976 there were only 137 registered day care providers in Polk County. Today there are 900 registered providers out of a total of approximately 1400 providers identified by the resource center.

The Junior League's involvement with the Child Care Resource Center (CCRC) made the League aware of the need for information and referral services. In 1978, the Des Moines Junior League provided the seed money and volunteers to initiate the Child Care Resource and Referral Center. The center, which is administered by the Child Care Resource Center, expects to serve 5,000 families in 1984-85. Initially, the funding for the Resource and Referral Center, which offers resources, referral, and educational services for providers of child care, parents, and employees, was provided by the Junior League and the Polk County Department of Social Services. The League also bought a computer and provided the volunteers to computerize the center's information. By 1982-83, however, $27,000 of the Resource and Referral Center's budget came from businesses, including several of the major insurance companies in Des Moines.

The Des Moines Chamber of Commerce formed a child care committee which co-sponsored, in collaboration with the Junior League and the resource center, a forum on child care in 1982. As a result of the conference, the resource center now conducts regular noonday seminars at local businesses about child care. The center also now charges businesses for its services. The center is seeking federal funding to enable it to market the CCRC model throughout the state of Iowa.

As an outgrowth of its participation in Child Watch, a project developed by the Children's Defense Fund in collaboration with the Association of Junior Leagues, the Junior League of Des Moines also has developed a demonstration model child care subsidy and assistance program. The Child Watch project found that good, affordable child care was not available for every child in Polk County. In fact, many of the parents and agencies interviewed insisted that the problem was affordability--not availability.

The subsidy and assistance program will provide financial assistance to low income parents who do not qualify for existing child care subsidies. The program, which began July 1, 1984, in collaboration with the resource center, is jointly financed by the United Way of Central Iowa and the Junior League of Des Moines. The United Way administers the program. Forty-two thousand dollars of the project's $72,000 budget and all of the 35 volunteers were provided by the Junior League. The volunteers will work in the areas of grantsmanship, marketing, advocacy and referral counseling. One of the aims of the program is to obtain financial assistance from Des Moines businesses.

The Junior League of Oklahoma City also provided funding to develop an information and referral system which provides assistance to parents in locating and choosing child care. The program also contributes to the improvement in the quality of care offered among its child care providers by informing providers about training opportunities available for child care workers. In addition, the program reports any complaints regarding possible child abuse or health and sanitation violations to proper authorities. The system also functions as a clearinghouse of information for child care advocates.

Most recently, the Oklahoma City project received a contract from a national corporation with employees in Oklahoma City. The services of the information and referral center are part of a package of benefits that this corporation supplies to its employees. Although employers are beginning to realize the benefits to their employees of offering child care services, they often are reluctant to become involved with child care. An information and referral system offers an employer a means to provide employees with child care services without having to incur the significant costs involved in providing on-site child care facilities.

An information and referral service known as Child Care Connection also was developed by the Junior League of Salt Lake City. This project was initiated as a result of a study of community needs which found that there was no centralized child care information and referral service in Salt Lake City or anywhere else in Utah despite a demonstrated need for such services. The computerized service, designed as a support system to working parents, provides child care information at no cost to anyone who lives in the Salt Lake Valley. The Junior League has committed $8,000 and 17 volunteers to the project. However, more financial support will be necessary and the Junior League of Salt Lake City is seeking additional funding to support this program. In part, the Junior League of Salt Lake City took the initiative in developing the program because it found that businesses were reluctant to become involved in child care without having information about community needs.

The Salt Lake City Junior League's Child Watch project identified many needs and concerns about child care in its community. Its report states:

> Food funds for day care providers were reduced in such a way that many children were adversely affected--some losing the only substantial meal they ate each day.
>
> A five year old whose working mother could not afford day care was left with her grandfather. The grandfather sexually abused the child. The child is now left on her own each day.
>
> One parent interviewed stated that when she returned to work and was no longer eligible for the day care sliding-fee scale, she was forced to quit her job and return to welfare.
>
> A boys' and girls' club official states, "Our staff has been working many overtime hours without any raises. Now I am facing staff burnout, and I will just have to cut staff. My good staff makes five dollars an hour."

Similar unmet child care needs were reported by other Junior Leagues participating in Child Watch. For instance, the Child Watch project of the Junior League of Milwaukee, Wisconsin found that there are many children in need of quality, affordable day care. Ironically many child care centers are not filled to capacity--in part because working mothers in low income families cannot afford the cost of center care.

The Milwaukee Child Watch project also found that as a result of the recent cuts in food subsidies to many of these centers, the nutritional needs of many children, especially those from low-income families, are adversely affected.

A recurring concern in the statewide survey made by the Child Watch project of the Junior League of Wilmington, Delaware, was the issue of families whose resources are not sufficient to meet their basic survival needs. In Delaware, in many cases, the family cannot survive on Aid to Families with Dependent Children (AFDC) alone. Therefore, the mother's job is vital. However, all AFDC families must now pay at least $10 per week per child for day care. Ten dollars a week per child may seem insignificant, but the AFDC maximum payment in Delaware is $212 for a two-person family and $336 for a four-person family. Requiring payment of $40 per month, per child for day care will be beyond the financial capability of many AFDC families. Many centers are also increasing the rates on their sliding scales for non-AFDC children.

Selected Junior League Public Policy Activities

Recognizing the need for government funding and for government regulations to ensure quality care, many Junior Leagues have supported legislation at the local, state, and federal levels. A substantial number of Leagues report that they advocated for improved licensing and adequate standards for child care at the state level.

Because of its involvement with the resource center, the Des Moines Junior League became convinced of the need for mandatory registration of family day care providers in the state of Iowa. Such registration would require the state to take responsibility for regulating family day care by empowering it to close family day care homes which do not meet minimum standards. The House of the Iowa state legislature passed the mandatory registration bill but it failed passage in the Senate.

Fourteen Junior Leagues in Florida, working in coalition with the Florida Center for Children and Youth, were successful in obtaining reauthorization of the state's licensing law which sets minimum standards for child care centers. In addition, the Sarasota League worked for the passage of a county ordinance which would be more strict than the state guidelines.

In Oklahoma, the Oklahoma City and Tulsa Leagues, working with the Conference of Churches and several non-profit state-wide child advocacy groups such as the Coalition for Children, Youth and Families succeeded in defeating legislation at the state level which would have exempted child care facilities sponsored by religious organizations and those not receiving state or federal funds from state licensing requirements. This is the second year in a row that this legislation has been introduced and defeated.

AJL Position on Child Care

Many of the Junior League initiatives at the federal level such as supporting an increase in funding for the Title XX Social Services Block Grant, have been taken in collaboration with the Association. The Association has been on record since 1981 with the following position statement on children's issues which was reaffirmed at the Association's Annual Conference May 6-9, 1984 in Philadelphia, Pennsylvania:

> The Association of Junior Leagues is committed to ensuring that children have the opportunities and services essential for their physical, intellectual, emotional, mental and social growth and will advocate to see that such opportunities and services are provided.

The Association Board has also approved the following child care concepts:

1. Child care should be easily accessible and affordable to all parents who want it.

2. A wide variety of child care programs should be available to meet the needs and preferences of children and their families.

3. Certain minimum standards of licensing requirements should be in place to ensure the health, safety and well-being of children.

4. Strong information and referral systems should be established.

Wingspread Conference

In 1981, the Association, in collaboration with The Johnson Foundation, held a conference, "Child Care: Options for the 80's," at the Wingspread Conference Center in Racine, Wisconsin. Affordability was identified as the number one issue on the Agenda for Action developed by the conference participants. Too many families cannot afford quality child care and, therefore, resort to child care arrangements which are less expensive but do not meet the child's developmental needs. Increased funding for the Title XX Social Services Block Grant, expanding the sliding scale of the dependent care tax credit and making the credit refundable were identified as key strategies to achieve affordability.

Conference participants also discussed the inadequate supply of child care and outlined strategies for improving the availability of care, including the need for more private/public sector collaboration and the need for better information and referral services.

The need for more corporate participation in child care also was addressed at the Wingspread Conference. Junior Leagues have encouraged corporate participation in child care. For example, the Junior League of Oklahoma City sponsored a conference on corporate child care and the Junior Leagues of Wichita, Kansas and Cleveland, Ohio produced a slide show promoting corporate child care.

Participants at the Wingspread Conference, and, indeed, most other observers of the child care issue have concluded that, while better public/private partnership is necessary, private incentives are not enough to bring about a child care system in which there is an adequate supply of affordable quality child care. Public support and leadership are essential.

While corporations are showing an increasing interest in child care, relatively few are involved with child care programs. According to Dana Friedman, of The Conference Board, less than one percent of corporations provide child care assistance. Generally those corporations that provide child care are the high technology, banking, insurance and hospital industries that are seeking employees and cannot recruit them without such incentives. Depressed industries and small industries generally do not provide child care because they cannot afford to do so. Since 50 percent of American women work in small industries, they can never hope to benefit from corporation-sponsored child care.

AJL RECOMMENDATIONS

In recommending greater federal leadership to improve the affordability and availability of child care, we would like to call attention to the following:

1. The Title XX Social Services Block Grant is the most important source of funding for child care for low income families. Its current funding level is $600 million below the level of $3.3 billion established for FY 1985 prior to the cuts made in the Title XX funding level by the Omnibus Budget Reconciliation Act of 1981.

2. The $160 per month limitation on the AFDC child care disregard is insufficient for quality child care, especially in urban areas.

3. The Association supports the provisions of the Economic Equity Act (S. 888/H.R. 2090) which would increase the sliding scale of the dependent care credit and make it refundable.

4. The cuts in federal grants to states and localities for child care funding have resulted in a decline in state standards and monitoring of child care services. We believe incentives should be provided by the federal government to encourage the setting and monitoring of standards. The Department of Health and Human Services should develop model licensing standards which could be adopted by states.

5. The federal government also should encourage the training and certification of all child care providers.

6. There is a need for federal leadership to encourage the development of family child care systems which would help raise the standards of family day care.

7. More information and referral services are needed. These resources also help communities to see the gap between supply and demand and to effectively plan for adequate child care services. The Association believes the federal government should provide seed money for information and referral as proposed in the Head Start and Human Services Amendments of 1984 recently passed by the House of Representatives.

8. The Association also supports legislation which would provide federal support for the development of school-age child care programs. Existing community resources such as schools and non-profit community centers should be utilized in developing these programs. The Association supports the School Facilities Child Care Act of 1984 (H.R. 4193) recently passed by the House of Representatives and hopes that the Senate will pass its version (S. 1531) in this session of Congress.

9. Only 40 percent of working women receive maternity benefits. The Association supports policies which would affirm the right of parents to paid and job protected leaves after childbirth. This could result in less need for infant care facilities and help children get a better physical and emotional start in the first critical months.

Each of the recommendations we have presented would improve some area of child care. At our Wingspread Conference, the participants spoke of "building blocks" needed by communities to construct their individual child care systems. The recommendations that we have made include some, but of course not all, of the necessary components that would help to improve and expand child care.

I appreciate the opportunity to appear before you today.

Cynthia Brubaker
AJL Public Policy Chairman

ATTACHMENT A

JUNIOR LEAGUE CHILD CARE/DAY CARE PROJECTS
FROM 1982-83 PROJECT SUMMARIES

Junior League	Number of Volunteers	Financial Contribution Over Life of Project
Austin, TX ABC Project (Aids for Better Children)	90	$ 8,500
Berkshire County, MA Gladys A. Brigham Children Center	40	38,891
Billings, MT Community Day Care and Enrichment Center	4	46,900
Champaign-Urbana, IL Latchkey Afterschool Program	2	9,400
Cleveland, OH Finding Child Care Solutions	3	5,700
Des Moines, IA Child Care Resource and Referral Project	20	25,500
Detroit, MI Emergency Child Care Assistance Fund	8	15,000
Duluth, MN Habitat - Teen Parent Day Care Center	2	250
Gaston County, NC Child Day Care Center Map/Information Brochure	1	2,626
Grand Rapids, MI Children's Workshop	12	--

Junior League	Number of Volunteers	Financial Contribution Over Life of Project
Grand Rapids, MI Neighborhood Drop-in Center	13	$ 31,100
Greater Alton, IL "Prepared for Today"	15	1,500
Greenwich, CT Child Care Council of Greenwich	6	1,500
Houston, TX Latchkey Program Committee	4	—
Montclair-Newark, NJ South End Community Day Care Center, Inc.	6	44,000
Morristown, NJ Focus Group on Child Care	4	700
New York, NY Child Care Research Task Force	10	—
Newport Harbor, CA Family Day Care Conference	10	3,600
Northern Westchester, NY Mt. Kisco Day Care Centers, Inc.	2	900
Northern Westchester, NY Provisional Babysitting Project	4	80
Oklahoma City, OK Child Care Information and Referral System	10	11,900
Pelham, NY Early Years Drop-in Center	2	633

Junior League	Number of Volunteers	Financial Contribution Over Life of Project
Pueblo, CO Pueblo Day Nursery	9	$ 2,800
Pueblo, CO Pueblo Infant-Toddler Center	--	47,500
St. Louis, MO Downtown Day Care	3	6,000
Salt Lake City, UT Children's Dance Theatre at Neighborhood House	6	9,720
Salt Lake City, UT Women and Families: Support Systems	16	14,830
San Francisco, CA Bay Area Child Care Resource Project	6	63,871
Syracuse, NY Consortium, Inc./ Onondaga County Child Care Council "Network for Caring People"	6	7,177
Tampa, FL Latchkey - Afterschool Program	8	24,930
Worcester, MA Day Care Reading Project	9	1,800
TOTAL	327	$426,948

Chairman **Miller**. Louisa Liddell.

STATEMENT OF LOUISA LIDDELL, EXECUTIVE DIRECTOR, FUTURE HOMEMAKERS OF AMERICA

Ms. **Liddell**. Now I can't say good morning. I say good afternoon.

Chairman **Miller**. Lucky you are not saying good evening.

Ms. **Liddell**. We are lucky, that's right.

I am the executive director of the Future Homemakers of America, and I am accompanied today by Jane Quinn, who is the director of program services for the Girls Clubs of America and chair of the Support Group of the National Collaboration for Youth.

We are here today on behalf of the National Collaboration for Youth, and we of course want to thank you and the select committee for allowing us the time to talk about the kinds of opportunities that we believe that youth agencies can provide. We welcome the opportunity to share these views, and want you to know that our agencies have programs and experience serving young people in just about every age group.

Today our remarks will focus on school-age children ages 5 to 13, and on before and after school child care programs.

The National Collaboration for Youth is an affinity group of the National Assembly of National Voluntary Health and Social Welfare Organizations. The collaboration is comprised of 14 national private, nonprofit agencies which serve over 25 million children and youth from a diverse and broad cross section of this Nation, and from all ethnic, racial, religious, economic and social backgrounds.

As an example, my own organization, Future Homemakers of America, is comprised of 350,000 young men and women who are enrolled in or who have taken courses in vocational home economics education; therefore, who have been through training programs in child care, and early childhood education at the secondary level, either for preparation as roles of homemaker and wage earner or into entry-level jobs. The youth organization is an integral part of that program.

Our member organizations comprise over 13,000 local program units and have roots in their communities providing programs and services designed to foster the development of each individual for productive fulfilling of responsible adulthood. We have invested substantial human and financial resources to meet the needs of youth in our communities. These funds are almost entirely raised from the private sector. They constitute a real base of community support. We cite these facts to make clear that our organization's present valuable resources can be tapped in cooperative ventures when the Federal Government offers leadership and catalytic funding.

Hundreds of programs we have developed over the past several years reflect our recognition of the increase in the numbers of mothers of school-age children working outside the home and the rising number of children living in two employed parent and single-parent families. Because of our varied and extensive activities within communities, our agencies were the first to respond to the urgent need for school-age child care during nonschool hours.

The broad range of programs NCY member agencies offer children assure a quality of service we believe can best be found in the private nonprofit voluntary sector which has through its voluntary leadership strong ties, commitment and accountability to the community it serves.

Our long-time concern for children and our commitment to their positive development, the nature of our voluntary governments and our deep roots in communities make it possible for our agencies to respond to the need for consistent and safe environments for the care of children.

My role is in presenting some of the facts of the collaboration. Jane will address some of the programmatic issues and areas that we believe can be instrumental.

STATEMENT OF JANE QUINN, DIRECTOR OF PROGRAM SERVICES, GIRLS CLUBS OF AMERICA, INC.; CHAIR, PROGRAMS SUPPORT GROUP, NATIONAL COLLABORATION FOR YOUTH

Ms. Quinn. I hope you don't mind we are doing this in two parts. Since we felt we were representing 25 million people, this is a large task. There are two major things I want to talk about today. One is, I want to delineate on behalf of the collaboration the broad issues that we think need to be taken into account as we look at the school-age child care problem in this country, and the second thing that I want to talk about is the variables that we think are important in looking at program content.

With regard to the broad issues that must be in the forefront as comprehensive child care plans are developed, we think that there are really three major issues. One is strong Federal leadership; the second is realistic payment arrangements; and the third is effective parental involvement.

On the first issue, we think it is essential that the Federal Government provide leadership on the issue of child care services. This is particularly important as we must anticipate an ever-growing demand for services, especially among those least able to afford the full costs. In order to prevent the wasteful efforts associated with "reinventing the wheel," local communities need access to a network of information and referral services and technical assistance.

More than that, constant consideration must be given to the issue of ensuring parental access to needed services. The cost factors inherent in addressing this need require careful consideration. Existing resources should be utilized fully; on one level this includes use of our already existing centers, clubs, community-based organizations and school facilities. On another level this might also include an increase in title XX funding and the dependent and child care tax credit.

On the second broad issue, realistic payment arrangements, we feel that the social cost of children being left alone, endangering themselves or others, is too great to be ignored. Child care must be available to those who need it, and parents should be asked to pay only what they can afford. When resources are scarce, targeting of low-income families should be encouraged. Those who are part of the working poor must not be excluded from service. Therefore, we strongly recommend that fees be established on a sliding scale.

I would add that many of our agencies have considerable experience in dealing with sliding scales. This will require government subsidy—Federal, State and local—support through private philanthropy, or child care as a benefit of employment. We also believe firmly in the importance of children of differing backgrounds having the oppoortunity to learn, to work, and to play together, and we think that this concept is assisted by a sliding fee scale.

In our written testimony, we have addressed in considerable length the issue of parental involvement and how to achieve this, and again I feel that our agencies have considerable experience in addressing this issue.

I am going to summarize the three major stages that we think are involved in helping parents become involved in child care programs.

The first stage has to do with developing an initial commitment for parents to work together with child care providers. The next stage involves direct involvement of parents in the program itself, and the third stage involves supplementary educational opportunities to help strengthen the family unit. I think we have spelled out several stages in writing. I won't go into those in detail.

The next major caveat that I want to talk about is program content. Louisa explained that I am the chairperson of the Program Support Group of the National Collaboration for Youth, so this is an issue that is very close to my heart, that is, program content. We believe that there are five major characterisics of school-age child care programs, and we are basing this on our own experience as well as on a review of the research literature on this topic.

The five characteristics of programs, as we see them, or the most important characteristics, are that the program must be consistent. Second, it must have qualified staff and volunteers. Third, it must be safe. Fourth, it must be educationally enriching. And fifth, it must be, or should be, heterogeneous.

On the issue of consistency, we think that children need a home base or a specified place where they can go during the after-school hours, and in many cases in the before-school hours also, a place where they will be welcome, wanted, safe and cared for, and where they can have an opportunity to explore their skills and interests.

It is helpful if this base is in the child's neighborhood or at least does not involve lengthy transportation, and, again, this home base could be in a variety of settings, centers, community-based organizations or school facilities.

Second, once the home base is set, we think that the single most important requirement of a good child care program is consistent, experienced, caring and responsible staff and volunteers. In our written testimony we have spelled out what we believe would ensure this type of staff and volunteer involvement, and I will summarize what we have said in our written testimony.

We think that professional staff and volunteer involvement would include clear job descriptions, prior training or experience, orientation, supervision, ongoing on-the-job training, recognition of the importance of the work, and adequate compensation.

The third characteristic of program—and this may be at risk of stating the obvious, but we think it is important to note for the record the need for a clean and safe environment for the provision of a broad range of activities and experiences involved in school-age child care.

Facilities and grounds should meet State and local requirements as they relate to general safety, sanitation, physical space and health requirements, and Federal standards as appropriate.

The fourth item on our list of characteristics of program is that the program should be educationally enriching, that is, it should go beyond custodial care. It should provide opportunities that respond to the developmental needs of school-age children, and should allow different opportunities for different age groups. We have expanded on this notion, but what I want to say in my spoken testimony is that we think the content of the program should include recreation, informal education, including remedial and enrichment education, and opportunities for community service, which also provide opportunities for young people to develop leadership skills.

The fifth characteristic of programs that we think is important is that the programs allow heterogeneity. A good program will provide opportunities for young people to learn, work, and play with children from other backgrounds, racial, ethnic, and economic.

Chairman MILLER. Let me interrupt you. Let me explain our situation. We have a vote on and we have about 10 minutes in which I can sit here and receive testimony, and after that we lost this room. We will not get back in time before the time runs out on the room. Can I ask if you could just curtail your testimony there, so that we can give Ella and Lori a quick chance to testify? My apologies. You have been nice enough to stick with us for these few days, but that is what is going to happen. I have no control over it. The vote is running and the time in the room is running, and that is it. My apologies.

[Prepared statement of Louisa Liddell and Jane Quinn follow:]

Prepared Statement of Louisa Liddell, Executive Director, Future Homemakers of America, and Jane Quinn, Director of Program Services, Girls Clubs of America, Inc., and Chair, Program Support Group of the National Collaboration for Youth, on Behalf of the National Collaboration for Youth

GOOD MORNING. MY NAME IS LOUISA LIDDELL. I AM THE EXECUTIVE DIRECTOR OF FUTURE HOMEMAKERS OF AMERICA. I AM ACCOMPANIED BY JANE QUINN, DIRECTOR OF PROGRAM SERVICES OF GIRLS CLUBS OF AMERICA, AND CHAIR OF THE PROGRAM SUPPORT GROUP OF THE NATIONAL COLLABORATION FOR YOUTH (NCY). MR. CHAIRMAN, WE ARE HERE TODAY ON BEHALF OF THE NATIONAL COLLABORATION FOR YOUTH, AND WE WANT TO THANK YOU AND THE SELECT COMMITTEE FOR THE OPPORTUNITY TO TESTIFY BEFORE YOU ON THE ISSUE OF CHILD CARE. WE WELCOME THE CHANCE TO SHARE OUR VIEWS ON CHILD CARE AND ON IMPROVING CHILD CARE SERVICES. OUR AGENCIES HAVE PROGRAMS AND EXPERIENCE SERVING YOUNG PEOPLE IN JUST ABOUT EVERY AGE GROUP. TODAY, OUR REMARKS WILL FOCUS ON SCHOOL-AGE CHILDREN (AGES FIVE TO THIRTEEN) AND ON BEFORE- AND AFTER-SCHOOL CHILD CARE PROGRAMS.

THE NATIONAL COLLABORATION FOR YOUTH IS AN AFFINITY GROUP OF THE NATIONAL ASSEMBLY OF NATIONAL VOLUNTARY HEALTH AND SOCIAL WELFARE ORGANIZATIONS, INC. THE COLLABORATION IS COMPRISED OF FOURTEEN NATIONAL, PRIVATE, NONPROFIT AGENCIES, WHICH SERVE OVER 25 MILLION CHILDREN AND YOUTH FROM A DIVERSE AND BROAD CROSS SECTION OF THIS NATION, AND FROM ALL ETHNIC, RACIAL, RELIGIOUS, ECONOMIC AND SOCIAL BACKGROUNDS.

OUR MEMBER ORGANIZATIONS COMPRISE OVER 13,000 LOCAL PROGRAM UNITS AND HAVE DEEP ROOTS IN THEIR COMMUNITIES, PROVIDING PROGRAMS AND SERVICES DESIGNED TO FOSTER THE DEVELOPMENT OF EACH INDIVIDUAL TOWARD A PRODUCTIVE, FULFILLING, AND RESPONSIBLE ADULTHOOD. WE HAVE INVESTED SUBSTANTIAL HUMAN AND FINANCIAL RESOURCES TO MEET THE NEEDS OF YOUTH IN OUR COMMUNITIES. THESE FUNDS ARE ALMOST ENTIRELY RAISED FROM THE PRIVATE SECTOR. THEY CONSTITUTE A REAL BASE OF

COMMUNITY SUPPORT. WE CITE THESE FACTS TO MAKE CLEAR THAT OUR ORGANIZATIONS PRESENT VALUABLE RESOURCES THAT CAN BE TAPPED IN COOPERATIVE VENTURES, WHEN THE FEDERAL GOVERNMENT OFFERS LEADERSHIP AND CATALYTIC FUNDING.

HUNDREDS OF PROGRAMS WE HAVE DEVELOPED OVER THE PAST SEVERAL YEARS REFLECT OUR RECOGNITION OF THE INCREASE IN THE NUMBERS OF MOTHERS OF SCHOOL-AGE CHILDREN WORKING OUTSIDE THE HOME AND THE RISING NUMBER OF CHILDREN LIVING IN TWO-EMPLOYED PARENT AND SINGLE-PARENT HOUSEHOLDS. BECAUSE OF OUR VARIED AND EXTENSIVE ACTIVITIES WITHIN COMMUNITIES, OUR AGENCIES WERE THE FIRST TO RESPOND TO THE URGENT NEED FOR SCHOOL-AGE CHILD CARE DURING NON-SCHOOL HOURS.

THE BROAD RANGE OF PROGRAMS NCY MEMBER AGENCIES OFFER CHILDREN ASSURE A QUALITY OF SERVICE WE BELIEVE CAN BEST BE FOUND IN THE PRIVATE, NONPROFIT, VOLUNTARY SECTOR, WHICH HAS, THROUGH ITS VOLUNTEER LEADERSHIP, STRONG TIES, COMMITMENT AND ACCOUNTABILITY TO THE COMMUNITY IT SERVES.

OUR LONG-TIME CONCERN FOR CHILDREN AND OUR COMMITMENT TO THEIR POSITIVE DEVELOPMENT, THE NATURE OF OUR VOLUNTARY GOVERNANCE, AND OUR DEEP ROOTS IN COMMUNITIES MAKE IT POSSIBLE FOR OUR AGENCIES TO RESPOND TO THE NEED FOR CONSISTENT AND SAFE ENVIRONMENTS FOR THE CARE OF CHILDREN.

I.

THERE ARE A NUMBER OF BROAD ISSUES THAT MUST BE IN THE FOREFRONT AS COMPREHENSIVE CHILD CARE PLANS ARE DEVELOPED. SOME OF THESE ARE:

1. IT IS ESSENTIAL TO HAVE THE FEDERAL GOVERNMENT PROVIDE LEADERSHIP ON THE ISSUE OF CHILD CARE SERVICES. THIS IS PARTICULARLY IMPORTANT AS WE MUST ANTICIPATE AN EVER-GROWING DEMAND FOR SERVICES, ESPECIALLY AMONG THOSE LEAST ABLE TO AFFORD THE FULL COSTS. IN ORDER TO PREVENT THE WASTEFUL EFFORTS ASSOCIATED WITH "RE-INVENTING THE WHEEL," LOCAL COMMUNITIES NEED ACCESS TO A NETWORK OF INFORMATION AND REFERRAL SERVICES AND TECHNICAL ASSISTANCE. MORE THAN THAT, CONSTANT CONSIDERATION MUST BE GIVEN TO THE ISSUE OF ENSURING PARENTAL ACCESS TO NEEDED SERVICES. THE COST FACTORS INHERENT IN ADDRESSING THIS NEED REQUIRE CAREFUL CONSIDERATION. EXISTING RESOURCES SHOULD BE UTILIZED FULLY; ON ONE LEVEL THIS INCLUDES USE OF OUR ALREADY EXISTING CENTERS, CLUBS, COMMUNITY-BASED ORGANIZATIONS AND SCHOOL FACILITIES. ON ANOTHER LEVEL THIS MIGHT ALSO INCLUDE AN INCREASE IN TITLE XX FUNDING AND THE DEPENDENT AND CHILD CARE TAX CREDIT.

2. THE SOCIAL COST OF CHILDREN LEFT ALONE, AFRAID, ENDANGERING THEMSELVES OR OTHERS, IS TOO GREAT TO BE IGNORED. CHILD CARE MUST BE AVAILABLE TO THOSE WHO NEED IT, AND PARENTS SHOULD BE ASKED TO PAY ONLY WHAT THEY CAN AFFORD. WHEN RESOURCES ARE SCARCE, TARGETING OF LOW INCOME FAMILIES SHOULD BE ENCOURAGED. THOSE WHO ARE PART OF THE WORKING POOR MUST NOT BE EXCLUDED FROM SERVICE. THEREFORE, WE STRONGLY RECOMMEND THAT FEES BE ESTABLISHED ON A SLIDING SCALE. THIS WILL REQUIRE GOVERNMENT SUBSIDY (FEDERAL, STATE AND LOCAL), SUPPORT THROUGH PRIVATE PHILANTHROPY, OR CHILD CARE AS A BENEFIT OF EMPLOYMENT. WE ALSO BELIEVE FIRMLY IN THE IMPORTANCE OF CHILDREN OF

DIFFERING BACKGROUNDS HAVING THE OPPORTUNITY TO LEARN, TO WORK, AND TO PLAY TOGETHER, WHICH IS ALSO ASSISTED BY A SLIDING FEE SCALE.

3. PARENT INVOLVEMENT AND PARTICIPATION IN PROGRAMS CAN GREATLY ENHANCE THE QUALITY OF ANY CHILD CARE PROGRAM. PARENTAL INVOLVEMENT CAN LEAD TO BENEFITS WELL BEYOND PROGRAM QUALITY, ESPECIALLY IF A PROGRESSION OF INVOLVEMENT OPPORTUNITIES ARE MADE AVAILABLE TO PARENTS. FOR EXAMPLE:

- INITIAL FOCUS: DEVELOPMENT OF PARENTAL COMMITMENT
    - PARENTS' HANDBOOK TO ESTABLISH CLEAR EXPECTATIONS FOR BOTH AGENCY AND PARENT
    - ONGOING COMMUNICATION WITH PARENTS THROUGH NEWSLETTERS AND MEMOS, ABOUT ACTIVITIES, POLICIES, AND CHILD'S ACCOMPLISHMENTS
    - PARENTAL FEEDBACK ABOUT PROGRAMS (EVALUATION)
    - PARENTS' ORIENTATION MEETING
    - COMMUNITY RESOURCE INFORMATION
- NEXT STEP: DIRECT INVOLVEMENT OF PARENTS IN PROGRAM
    - FAMILY ACTIVITIES
    - PARENT NIGHTS
    - PARENTS SERVING ON PROGRAM ADVISORY GROUPS (FOR INPUT)
    - VOLUNTEER OPPORTUNITIES
- FINALLY, EDUCATIONAL OPPORTUNITIES TO HELP STRENGTHEN THE FAMILY UNIT
    - PARENTING COURSES
    - MINI-WORKSHOPS (ONE SESSION) ON TOPICS SUCH AS VALUES, DRUGS, PARENTS AND CHILDREN, EFFECTIVE COMMUNICATION AND DISCIPLINE

II.

IN PLANNING ANY PROGRAM OF CHILD CARE, CAREFUL ATTENTION MUST BE PAID TO BASIC CHARACTERISTICS THAT SHOULD BE PRESENT, WHATEVER THE SPECIFIC SETTING OR MANNER OF FUNDING. SOME OF THESE ARE:

1. A "HOME BASE" OR SPECIFIC PLACE WHERE CHILDREN KNOW THEY WILL BE WELCOME AND WANTED EACH DAY, AND WHERE THEY CAN FEEL SAFE AND CARED FOR, AND WHERE THEY CAN EXPLORE THEIR INTERESTS AND SKILLS. IT IS HELPFUL IF THE BASE IS IN THE CHILD'S NEIGHBORHOOD OR AT LEAST DOES NOT INVOLVE LENGTHY TRANSPORTATION. THIS "HOME BASE" CAN BE IN A VARIETY OF SETTINGS: CENTERS; COMMUNITY-BASED ORGANIZATIONS; AS WELL AS SCHOOL FACILITIES. THE "HOME BASE" SHOULD BE A PLACE WHERE A CHILD CAN MOVE FREELY, DISCHARGE ENERGY, FEEL FREE TO EXPLORE, MAKE DIFFERENT CHOICES ON DIFFERENT DAYS - ALL THE WHILE IN A SAFE, FAMILIAR "HOME BASE."

2. ONCE THE "HOME BASE" IS SET, THE SINGLE, MOST IMPORTANT REQUIREMENT OF A GOOD CHILD CARE PROGRAM IS CONSISTENT, EXPERIENCED, CARING AND RESPONSIBLE STAFF AND VOLUNTEERS WHO UNDERSTAND THE IMPORTANCE OF DEVELOPMENTAL ACTIVITIES FOR CHILDREN AND CAN SERVE AS ROLE MODELS. TO ASSURE THIS, WE SUGGEST THE FOLLOWING:

- CLEARLY WRITTEN POSITION DESCRIPTIONS, INCLUDING DUTIES, SKILLS REQUIRED, AND QUALITIES WANTED:
  - KNOWLEDGE/UNDERSTANDING OF CHILD DEVELOPMENT PRINCIPLES; CHILDREN'S PLAY ACTIVITIES; WORKING WITH GROUPS; SETTING GOALS; EFFECTIVE DISCIPLINE TECHNIQUES THAT STRESS TEACHING AND NOT PUNISHMENT AND ARE NONVIOLENT IN APPROACH, BOTH PHYSICALLY AND MENTALLY; FIRST AID

- SKILLS - THE ABILITY TO COMMUNICATE AND LISTEN, LEAD ACTIVITIES, BUILD RELATIONSHIPS, SET LIMITS, AND ENFORCE THEM FIRMLY AND WITH CARE; WORK WITH DIVERSE POPULATIONS
- ATTITUDES - AN ENCOURAGER OF POSITIVE BEHAVIOR RATHER THAN CRITICIZER OF NEGATIVE BEHAVIOR; ACCEPTANCE OF CHILDREN AS CAPABLE HUMAN BEINGS, ABLE TO MAKE DECISIONS, GROW AND LEARN FOR THEMSELVES; A STRONG SENSE OF SELF-WORTH; COMFORTABLE WITH CHILDREN AND TAKING PART IN THEIR ACTIVITIES; ADAPTABLE; GOAL-ORIENTED; NURTURING AND UNDERSTANDING

- ORIENTATION FOR NEW STAFF
- ONGOING SUPERVISION BY STAFF WHO HAVE KNOWLEDGE ABOUT DEVELOPMENTAL GOALS FOR LEADERS AS WELL AS CHILDREN; ARE WELL-ORGANIZED; HAVE THE ABILITY TO ASSESS STRENGTHS AND AREAS THAT NEED IMPROVEMENT; GOOD INTERPERSONAL SKILLS; CHILD BEHAVIOR MANAGEMENT TECHNIQUES; AND SKILLS IN EVALUATING PERFORMANCE OF CHILD CARE WORKERS
- OPPORTUNITY FOR ONGOING AND ON-THE-JOB TRAINING
- RECOGNITION OF THE CHILD CARE WORKER AND HIS/HER PROFESSIONAL ROLE AND SATISFACTORY COMPENSATION

3. TO MAKE SURE THAT IT DOES NOT GO WITHOUT SAYING, WE WANT TO STATE, FOR THE RECORD, THE NEED FOR A CLEAN AND SAFE ENVIRONMENT FOR THE PROVISION OF A BROAD RANGE OF ACTIVITIES AND EXPERIENCES FOR CHILDREN WHO ARE IN THE PROGRAM.

- FACILITIES AND GROUNDS SHOULD MEET STATE AND LOCAL REQUIREMENTS, AS THEY RELATE TO GENERAL SAFETY, SANITATION, PHYSICAL SPACE, AND HEALTH REQUIREMENTS, AND FEDERAL STANDARDS AS APPROPRIATE
- IN REVIEWING POTENTIAL SITES, SAFETY, CLEANLINESS AND MAINTENANCE CAPABILITY SHOULD BE CONSIDERED. IN ADDITION, THERE MUST BE ACCESSIBILITY TO TOILET FACILITIES, STORAGE AND KITCHEN FACILITIES AND AN AREA TO ISOLATE SICK CHILDREN. ACCESS TO EMERGENCY SERVICES IS ALSO IMPORTANT

4. AN OPTIMUM CHILD CARE PROGRAM GOES BEYOND SAFETY AND CUSTODIAL CARE. IT PROVIDES OPPORTUNITIES THAT RESPOND TO THE DEVELOPMENTAL NEEDS OF SCHOOL-AGED CHILDREN. ANY CENTER HAS TO BE ABLE TO PROVIDE DIFFERENT OPPORTUNITIES FOR THE DIFFERENT AGE GROUPS WITHIN ITS PROGRAM, ALLOWING, IF COURSE, FOR OVERLAPPING INTERESTS AND CROSS-AGE ACTIVITIES. THERE SHOULD BE RECREATIONAL OPPORTUNITIES SUCH AS INDIVIDUAL SPORTS, TEAM SPORTS AND GAMES, AND CULTURAL ENRICHMENT THAT MAY BE FOUND IN CRAFT WORK, MUSIC GROUPS, DANCING, MULTICULTURAL PROGRAMS (AVAILABLE THROUGH MOST YOUTH AGENCIES). A SPACE FOR QUIET TIME, READING, TUTORING, AND VALUES EDUCATION IS ESSENTIAL. AS CHILDREN MOVE TOWARD ADOLESCENCE, IT IS PARTICULARLY IMPORTANT THAT THERE BE OPPORTUNITIES FOR COMMUNITY SERVICE. AGAIN, YOUTH AGENCIES ARE REPLETE WITH EXAMPLES OF GOOD PROGRAMS THAT ENABLE A YOUNG PERSON TO DEVELOP RESPONSIBILITY AND SELF-ESTEEM BY DOING FOR OTHERS. SUCH COMMUNITY SERVICE OPPORTUNITIES ARE ALSO A MEANS OF LEARNING ABOUT LEADERSHIP SKILLS AND IDENTIFYING WITH THE LARGER SOCIETY.

5. A GOOD PROGRAM WILL PROVIDE OPPORTUNITIES FOR YOUNG PEOPLE TO LEARN, WORK AND PLAY WITH CHILDREN FROM OTHER BACKGROUNDS - RACIAL, ETHNIC AND ECONOMIC. GIVEN A NEIGHBORHOOD SETTING, THIS WILL DEPEND TO A CONSIDERABLE EXTENT ON THE REALITY OF DIVERSITY IN THE SCHOOL AND NEIGHBORHOOD; HOWEVER, EVERY EFFORT SHOULD BE EXPENDED TO KEEP THE PLURALISTIC VALUES OF OUR COUNTRY IN PRIORITY POSITION AS PROGRAMS ARE DESIGNED. STAFF AND VOLUNTEERS SHOULD REFLECT THE DIVERSITY OF THE POPULATION SERVED.

III.

FINALLY, WE WOULD LIKE TO UNDERSCORE THAT THERE ARE MANY BENEFITS TO RELYING ON THE VOLUNTARY, NOT-FOR-PROFIT SECTOR AS THE PROVIDERS OF CHILD CARE SERVICES. AMONG THESE ARE:

- COMMUNITY INVOLVEMENT ON POLICY-MAKING BODIES TO ASSIST IN ASSESSMENT OF CHILD CARE NEEDS AND IN PLANNING/EVALUATION OF PROGRAMS. INDEED, THIS MEANS COMMUNITY OWNERSHIP OF THE PROGRAM BECAUSE IT IS TRULY VOLUNTEER GOVERNED.
- BY VIRTUE OF THEIR TAX EXEMPT STATUS, THE BOTTOM LINE FOR NONPROFIT AGENCIES IS ACCOUNTABILITY TO THE COMMUNITY, TO PROVIDE QUALITY SERVICE AT A REASONABLE COST, PARTICULARLY FOR THOSE OF LIMITED INCOME
- YOUTH AGENCIES HAVE EXPERIENCE IN DEVELOPING AND CARRYING OUT A WIDE RANGE OF SUCCESSFUL PROGRAMS FOR YOUTH DEVELOPMENT AND CULTURAL ENRICHMENT. ACTIVITIES ARE DESIGNED TO ENHANCE PHYSICAL, MENTAL AND SOCIAL DEVELOPMENT.

- THESE AGENCIES HAVE A LONG HISTORY OF PROVIDING SERVICES TO YOUTH AND FAMILIES FROM DIVERSE POPULATIONS - ETHNIC, RACIAL, RURAL/URBAN, SOCIOECONOMIC, AND RELIGIOUS.
- THE NOT-FOR-PROFIT SECTOR HAS THE CAPABILITY AND EXPERIENCE TO OPERATE IN A VARIETY OF SETTINGS, E.G., COMMUNITY CENTERS, SCHOOLS, CHURCHES, HOUSING PROJECTS, AS WELL AS IN THEIR OWN AGENCY FACILITIES.
- THERE IS A TRADITION OF ADVOCACY, IN WHICH YOUTH AGENCIES SERVE AS A VEHICLE WHERE PARENTS CAN COLLECTIVELY VOICE THEIR CONCERNS FOR THE WELL-BEING OF THEIR CHILDREN AND THE QUALITY OF CHILD CARE SERVICES THEY WOULD LIKE.
- VOLUNTARY AGENICES TEND TO UTILIZE THE COLLABORATIVE STYLE OF WORK - AN APPROACH THAT INVOLVES YOUTH AGENCIES, THE SCHOOL SYSTEM, PUBLIC SOCIAL AGENCIES, AND, IN SOME CASES, THE BUSINESS COMMUNITY. COMMUNITY-WIDE COLLABORATION CAN ENCOURAGE THESE VARIOUS SECTORS TO CONDUCT A COLLECTIVE ASSESSMENT OF GAPS IN SERVICE AND DEVELOP A COMPREHENSIVE SERVICE SYSTEM THAT ENSURES THE BEST USE OF LIMITED RESOURCES.

WE WILL BE GLAD TO PROVIDE INFORMATION REGARDING PROGRAMS BEING OPERATED BY OUR MEMBER AGENCIES. IN ADDITION, MANY OF OUR ORGANIZATIONS ARE REPRESENTED IN WASHINGTON, D.C. AND THE STAFF OF THESE AGENCIES WOULD BE PLEASED TO WORK WITH YOU AS THE SELECT COMMITTEE DEVELOPS THE ISSUE FURTHER.

AGAIN, WE THANK YOU FOR THE OPPORTUNITY TO TESTIFY AND STAND READY TO ASSIST THE SELECT COMMITTEE IN ANY WAY WE CAN.

STATEMENT OF LORI WEINSTEIN, DIRECTOR, NATIONAL ADVOCACY PROJECT FOR FAMILY DAY CARE, THE CHILDREN'S FOUNDATION

Ms. WEINSTEIN. Mr. Chairman, my name is Lori Weinstein, director of the National Family Day Care Project of the Children's Foundation. I am delighted to have the opportunity to present testimony to your committee today on behalf of the family day care profession.

I am also joined by the National Association for Family Day Care as well as more than 100 State and local family day care associations in commending the efforts of this committee long effort to represent the child care profession in its year to look at length at family day care.

I am going to try to move through this very quickly. As the numbers of working women with young children continue to rise, the home-based child care field continues to grow in order to meet our country's and our community's child care needs.

As our Federal, State, and local governments seek to create policies and develop programs which meet the child care needs of working families, family day care providers are expanding their programs to care for infants, toddlers, before and after school, and special needs children. We truly have been slow to recognize family day care for what it is, the heart of this country's child care profession.

Nationally an estimated 1.5 to 2 million women work as family day-care providers in their own homes providing daily care to more than 6 million children.

Family day care accounts for at least two-thirds of all out-of-home care in this country. For children under the age of 2, this percentage increases dramatically.

Each time a family day care provider leaves her profession, the jobs of an average of four additional women, those who use family day care for their own children, are placed in jeopardy.

Yet, despite the importance of family day care to our child care system, there are numerous problems which affect the profession and therefore severely diminish its ability to function effectively. Day care providers are underpaid, often making significantly less than minimum wage. Yet the supply and demand market leaves them unable to charge more than the parents are able to pay and probably the greatest problem affecting the home day care profession today is the fact that nearly 75 percent of all home day care remains underground and unregulated.

This not only results in professionalization but also greatly restricts the accessibility of the day care market to working parents, to information and referral agencies and to other child care supports.

Home day care also suffers disproportionately from Federal, State, and local budget cuts. Statewide cuts in title XX can often mean the elimination of family day care from the title XX reimbursement program or a reduction or freeze in reimbursement rates.

Training funds, once available for family day care through not just title XX, but other organizations, have been virtually eliminated.

Most important in this configuration of training is the fact that regulatory agencies are without funding to train providers and/or to monitor homes.

Certainly the perpetuation of the baby sitting stereotype continues to tarnish the image of family day care, while also restricting the professional development of the field.

Today truly the future of home day care rests in the development of the profession. Family day care has reached a critical juncture in its development and, while it is now recognized for its role as the primary caretaker in a very fragmented child care system, both public and private support have done little to address the tremendous need for the development of a profession that is informally trained and organized and largely underground.

Current programs such as the child care food program and title XX have been instrumental in helping to organize a portion of the family day care field, but they do not address the need for new programs targeted at overall professional development.

Cutbacks in both programs in recent years have further limited their effectiveness.

Great changes, dramatic changes within the child care field, which include the rapid influx of infants as well as school-age children into the child care market have placed increased demands on providers to take children that they often feel ill-prepared to care for.

Employer-sponsored child care rarely includes family day care in its day care programs for employees. Tax credits benefit parents who, regardless of the credit, are unable to pay more.

Chairman MILLER. Have you ever been under pressure before?

Ms. WEINSTEIN. In short, while the demand for child care continues to grow, the availability of resources to promote greater professional development has been shrinking, and it is really critical that the Federal Government take the lead in expanding existing programs and developing new ones at this very important juncture in the life of our child care system and truly in our family day care system.

Our recommendations, as are enumerated in our written testimony, focus on the expansion of training opportunities for family day care, the expansion of existing services, including title XX in the child care food program, the inclusion of family day care in all Federal initiatives which must include things like sick child care, school-age child care.

I would like to add at this point the fact that as the Federal Government looks at and addresses the growing training needs for child care and for family day care, they should certainly take into consideration not just existing organizations which administer family day care programs or networks, but they should look at the whole variety of family day care systems, including family day care associations, organizations, informally organized networks, systems, and the other myriad ways in which family day care is very informally organized.

The rest of my remarks spoke to the problems that we continue to see at the national level, as well as the State and local levels with regard to licensing and the regulatory problems. I want to give everyone a chance to testify and I would be more than happy to answer any questions at some later date that your committee might have on regulations.

Chairman **Miller**. Thank you very much.

[Prepared statement of Lori Weinstein follows:]

PREPARED STATEMENT OF LORI WEINSTEIN, DIRECTOR, NATIONAL ADVOCACY PROJECT FOR FAMILY DAY CARE, THE CHILDREN'S FOUNDATION

My name is Lori Weinstein and I am Director of the National Family Day Care Advocacy Project of The Children's Foundation. I am delighted to have the opportunity to present testimony to the Select Committee on Children, Youth and Families on behalf of the family day care profession. I am joined by the National Association For Family Day Care, a national membership organization of providers, and more than one hundred state and local day care associations located throughout the country, in commending the efforts of this committee to represent the home-based child care field during its year long focus on child care. This recognition by the Select Committee in its attempts to identify strategies for expanding and enhancing the child care market is an important indication to the nearly two million women in this country who care for other women's children, in their own homes, that family day care is finally receiving the important attention that it deserves.

The Children's Foundation is a national advocacy organization which was established in 1969 as an educational and charitable institution. While the work of the Foundation has changed over the years, the focus has remained the same: to provide a national voice for women and children on issues of broad social and economic significance.

The early work of The Children's Foundation included efforts to initiate, improve, expand and monitor the operation of federal food assistance programs for children and their families. As a result, new laws and regulations were written, and new programs developed, making it possible for more than 20 million children and families to participate in a variety of food related programs.

More recently, activities of the Foundation have focused upon efforts to expand and improve available child care, offer citizen education and voter information to children and their families, and promote greater enforcement of child support statutes and agreements.

The National Advocacy Project for Family Day Care offers information, technical assistance, and professional support to organizations, associations and family day care providers across the country. It encourages caregivers to both improve their skills and advocate on behalf of their profession, thereby strengthening their position and that of other low-paid women workers in our society. The Project has also concentrated on expanding public awareness of the family day care profession through its representation of the profession nationally, and at the state and local levels.

The National Association For Family Day Care began as an advisory panel to The Children's Foundation, in 1978. In 1981 NAFDC was launched as a national membership organization, representing the family day care profession. Currently, more than one thousand active day care providers in forty-eight states are members of the national association.

FAMILY DAY CARE IS THE HEART OF OUR CHILD CARE SYSTEM

The rapidly increasing numbers of women with young children currently in the work force are well documented. The latest U.S. Labor Department statistics show that 52.1 percent of women with children under six years old are in the labor force. This figure has risen steadily since 1980 when it stood at 46.8%. According to the Labor Department, women with children under the age of three, accounted for the most significant part of this increase. Overall, more than nine million preschool children nationwide have mothers who work.

The need for affordable quality child care continues to grow at an unprecedented rate. In addition to care for infants, toddlers and preschoolers, millions of school age children are in need of before and after school care. With well over 60% of mothers of school age children working outside of the home the latchkey problem compounds our national child care crisis.

As the numbers of working women with young children continue to rise, the home-based child care field continues to grow in order to meet our country's and our communities' child care needs. As our federal, state and local governments seek to create policy and develop programs to meet the child care needs of working families, family day care providers are expanding their programs to care for infants, toddlers, before and after school, and special needs, children.

- Nationally an estimated 1.5 to 2 million women work as family day care providers in their own homes providing daily care to more than six million children.
- Family day care accounts for at least 2/3 of all out of home child care in this country. For children under the age of two this percentage increases dramatically.
- Each time a family day care provider leaves the profession, the jobs of an average of four additional women (those who use family day care for their own children) are placed in jeopardy.

We have been slow to recognize family day care for what it truly is; the heart of our country's child care system:

Infants: With more than 40% of mothers with children under the age of one in the work force, there has been a dramatic rise in the numbers of infants in out of home care. Preliminary estimates of The Children's Foundation indicate that as many as 90% of all infants in out of home care are in family day care homes.

Before and After School: The National Day Care Home Study found that family day care represented the most "prevalent mode of care for the 1.5 million school children between 6 and 13 whose parents work". In recent years, 14 states have instituted regulations for the before and after school children inclusion in family day care homes and another ten states are considering making a similar change.

Special Needs Children: Increasingly, states are looking to family day care as the most appropriate setting for the care of developmentally delayed, physically and/or emotionally handicapped young children. In addition, family day care is often used by protective service agencies as an intervention strategy in cases of suspected or known child abuse or neglect.

WHY PARENTS CHOOSE FAMILY DAY CARE

Parents use family day care for a variety of reasons. Day Care Providers offer important benefits such as flexible hours, close proximity to a child's home, a homelike environment, and small group size, in addition, family day care may cost less than half that of center-based care.

Family Day Care is particularly appealing to many parents because providers are able to take into account the special needs of working parents and/or their children.

Yet, despite the importance of family day care to our child care system, the profession is with numerous problems that severely diminish its ability to function effectively.

- Family day care providers are under paid, often making significantly less than minimum wage. Yet a supply and demand market leaves them unable to charge more than parents are able to pay.

- Nearly 75% of home day care remains underground and unregulated. This not only results in professional isolation but also greatly restricts accessibility of the day care market to working parents, and to information and referral agencies.
- Home Day Care suffers disproportionately from federal, state and local budget cuts. State-wide cuts in Title XX can often mean the elimination of day care homes from the Title XX reimbursement program, or a reduction/freeze in reimbursement rates.
- Training funds once available for family day care through Title XX and other programs have been virtually eliminated. Regulatory agencies are without funding to train providers or monitor homes.
- The perpetuation of the "babysitting" stereotype continues to tarnish the image of family day care while also restricting the professional development of the field.
- Family Day Care is a home occupation where both personal and professional lives intersect. Not only does this fact make it difficult in reaching the profession, but it also creates community problems with such things as prohibitive zoning ordinances restrictive covenants.

THE FUTURE OF FAMILY DAY CARE RESTS IN THE DEVELOPMENT OF THE PROFESSION

Family day care has reached a critical juncture in its development. While it is now recognized for its role as the primary caretaker in our fragmented child care system, both public and private support have done little to address the tremendous need for the development of a profession that is informally trained and organized, and largely underground. While current programs such as the Child Care Food Program and Title XX Social Services Block Grant have been instrumental in helping to organize a small portion of the family day care field they do not address the need for new programs targeted at overall professional development. Cutbacks in both programs in recent years have further limited their effectiveness.

Changes within the child care field (i.e. the rapid influx of infants and school-age children into the child care market) have placed increased demands on providers to take children that they often feel ill equipped to care for. Employer sponsored child care rarely includes family day care in its day care programs for employees. Tax credits benefit parents who, regardless of the credit, are unable to pay more for child care. Regulatory agencies offer little if any incentives to providers for becoming regulated.

In short, while the demand for child care continues to grow, the availability of resources to promote greater professional development has been shrinking. It is critical that the federal government take the lead in expanding existing programs and developing new ones.

WHAT CAN BE DONE

- Expand existing federal programs for child care such as Title XX and the Child Care Food Program. Increase Title XX with an earmark for day care. Title XX funds not only help defray the costs of child care for working parents, but also provide critically needed funds for training child care providers. Provide funds which would help to better target low income and rural communities' participation in the Child Care Food Program. CCFP is the largest federal support for family day care, serving nearly a quarter of a million children in home day care nutritrious meals daily. For many providers the availability of CCFP is the sole incentive for becoming regulated.
- Include family day care in all federal day care initiatives. Family day care should be included in all legislative initiatives for child care, including school-age care, and "sick-kid" care.
- Provide both federal and private support to family day care networks, systems, and organizations. Critical to the professional development of the field is the support of organizations which work directly to promote the professionalization of home day care. Groups such as family day care associations, day care systems, information and referral systems and networks all assist providers in organizing their profession at the state or local level.

- Provide federal, state and private funding for training for family day care. Include money for training in all federal child care initiatives. Training, particularly areas such as infant care and working with special needs children, is desperately needed at this time.
- Develop new programs and increase assistance to parents to meet the growing demand and increasing cost of infant care. Infant care continues to be the most costly piece of our child care system. For parents, the cost of center-based infant care may run well over one hundred dollars per week. In some family day care, costs to parents may be nearly as high. Yet, the vast majority of providers caring for infants receive significantly less, because parents simply can't afford to pay any more for care. The result is that providers, while helping parents defray the high costs of infant care, are themselves the losers. Not only does infant care require far more work but providers are often required by the regulatory agency to reduce their overall number of children if they are caring for infants. Thus, their overall income is also reduced!

  New strategies must be developed by federal, state and local governments to assist both parents and providers with the high costs of infant care. Changes in the regulatory system, increased reimbursements to providers caring for infants, expanded tax credits for infant care, and more direct federal involvement in helping to underwrite the high cost of infant care should be considered.

- Expand the role of family day care in employer related day care programs, through voucher systems, salary reduction plans, information and referral programs, and employer sponsored family day care networks, tax credits and cafeteria benefits. Develop partnerships between the federal government, unions and employers in establishing employer child care programs and/or benefits.

A GROWING NEED FOR REGULATORY CHANGE

In many states, family day care is regulated by licensing. Originally conceived by state or local jurisdictions to monitor health and safety of children in day care, licensing was predicated on a consumer protection philosophy for regulation day care homes, a noble but unrealistic objective. Recent studies indicate that 75% or more of home day care remains unregulated, in large part due to unrealistic standards, cumbersome regulations, and costly start-up requirements.

In addition, the common assumption that licensed homes are monitored frequently for various health and safety requirements is not matched by the reality. Licensing agencies in most states have been unable to monitor homes or enforce standards due in part to budgetary and personnel cutbacks in recent years.

The problems associated with a regulatory system in which 75% of the profession remain underground are numerous:

- Access: With only 25% of the home day care profession participating in the regulatory system, parents have limited options when making child care arrangements.

  This paucity of licensed homes creates an all too inadequate supply for the thousands of working parents needing care for their children. With so few regulated providers, parents, left with no other choice but to rely on word-of-mouth, are often forced to place their children in less than satisfactory child care arrangements.

- Training: Licensing standards in most states do not include provisions for initial or ongoing training. The purpose of licensing laws has been to regulate the home and not to assist the caregiver in developing her professional abilities. Minimal emphasis on training limits a provider's ability to upgrade her own caregiving skills and fosters low professional self-esteem.

- Employment: Inadequate access to day care can create a substantial barrier to entry into the work force for mothers with young children. Moreover, an underground system leads to low provider visibility. As a result, the earning potential of day care providers, many of whom are the sole support of their own families, is greatly diminished. Currently the earnings of underground day care providers are less than 1/3 of the minimum wage.

During the past few years increased concern and attention has been paid to licensing standards for family day care. Throughout the country day care providers, parents, advocates, as well as regulatory agencies, have sought to revise licensing standards in order to encourage the participation of thousands of underground women, who run small day care programs in their homes, in the regulatory system. The goals of this regulatory movement are to promote an expanded and more accessible day care market, to increase caregiver training, parent awareness and consumer monitoring, and to provide greater quality care. Yet, their efforts have been hampered by a continuing lack of funds, and a general state of crisis which exists within the regulatory field.

With increased frequency, the operation of family day care homes in communities throughout the country is being jeopardized by restrictive local zoning requirements. At issue are the rights of hundreds of thousands of providers to operate day care programs in their homes in residential neighborhoods. Other residents, concerned about increased noise, traffic, and activity, claim that home day care is a commercial business and thus must be zoned appropriately. As family day care becomes a more visible profession, the battle between providers and community becomes more heated.

In addition to state regulations and/or federal standards for home day care, providers often find themselves subjected to restrictive local zoning requirements as well. Such zoning regulations may altogether prohibit the operation of any "commercial" business. Communities that have never specifically addressed the issue of home day care as a business can either prohibit the operation of a day care home or refuse to grant a "special exception" if a complaint is filed against a provider. In cases of specific charges or complaint, most day care providers tend to close down their operation.

Zoning regulations tend to be most restrictive in single-family residential areas. Family day care may be prohibited or restricted in a single-family residential area but permitted "by-right" in an area zoned for multi-family dwellings. This type of zoning regulation may in effect prohibit family day care altogether if state regulations require a lot size or a type of housing that tends to be found in single-family residential zones.

Ironically, zoning battles are being waged at a time when increased public awareness and an enhanced professional image have brought greater visibility and respectability to the home day care field. Providers, having fought long and hard to combat the "babysitting" stereotype and to establish themselves as small businesspeople, now find themselves in the uncomfortable position of having to defend their business and professional status in light of the heightened zoning battles. Many providers are finding themselves in court or before a hearing board defending their right to operate in a residential area stating that their homes are not businesses per se, but rather a babysitting service.

WHAT CAN BE DONE

With 75% of the home day care field unregulated and inaccessible to most parents, new strategies are needed to encourage greater participation of providers in the regulatory system. Solutions targeted at expanding the day care market, by removing burdensome regulations, promoting professional development and increasing the involvement of parents as educated consumers, should be explored at both the federal and state levels. An expanded market of regulated providers will:

- Increase the quality of available care by bringing hundreds of new providers into the existing regulatory system.
- Promote professional growth and development by offering training and outreach to day care providers.
- Strengthen employment opportunities for women with small children by increasing the availability of accessibility of adequate day care.
- Provide increased employment opportunities for women interested in becoming caregivers and expand the earning potential of providers.
- Increase the availability and accessibility of day care.
- Make parents an essential component in the important job of monitoring day care.
- Buttress the efforts of day care information and referral systems to locate and identify available family day care.

In addition, the federal government should:

- Make federal grants available to state regulatory agencies to evaluate existing regulations and implement new standards.
- Provide technical assistance to local governments and organizations seeking to study and/or improve their regulatory system.
- Encourage states to enact legislation which would supercede local zoning authority and which would permit small family day care homes to operate automatically without having to apply for a variance or pay a permit fee.

STATEMENT OF ELLA McNAIR, DIRECTOR, PROGRAM PLANNING AND DEVELOPMENT, DELTA SIGMA THETA SORORITY, INC.

Ms. McNAIR. I am Ella McNair of the Delta Sigma Theta Sorority. It is a national/international organization that has 125,000 members nationwide and abroad. I would like to share with the committee some findings that the organization was able to determine through a series of summit conferences held in the month of May nationwide. The topic of the summit conferences was a call to action in support of black single mothers and female members of households.

From that, of course, I am here today to say to you that the lack of day care was one of the pervasive things that ran throughout the entire conference.

There was, in fact, an outcry among the women from Arizona to California to New Mexico, in every place that we have these conferences, day care service is the pervasive issue that creates the barriers to these women doing other things.

When we say single mothers, we are not speaking of primarily low-income single mothers; we are talking about single mothers who are widows, divorcees, what-have-you. I must say at this juncture, however, that we are looking for creative ways of having meaningful day-care services, and after school care services for low-income mothers.

The latchkey situation was a critical thing. It has created quite a bit of stress among single parents. The telephone is usually the only communication these women have to their children while they are at work. The lack of day care, of course, has been a big barrier to low-income women getting employment. They have no one to watch their children, even to go seek employment.

With the increased training options for women in industry and in nontraditional employment activities for women, there needs to be creative day care for shifts, women who get into these occupations finding themselves working on shifts that are not conducive to day care in the daytime. These are just a number of issues that surfaced.

I will say that these women that we spoke with who are single parents, many of whom have indicated that they would like to be trained to be day care providers, that they would like centralized day care centers, day care structures in their community. The lack of transportation, where day care exists, is also a very big barrier.

In the rush I would also like to close by saying that we will be publishing the proceedings of these summit conferences nationwide, a copy of which I will provide to the committee and to anyone in the room. The proceedings will come out next month and we will proceed to phase II of the summit conferences, but, of course, we are still seeking solutions to the day care issue.

I would like to say, however, that we have gone ahead and targeted the churches. We have targeted other organizations and we have tried to form networks to bring this issue to its surface in the community, in addition to bringing the specialties of single mothers and working mothers to the conscience of the community at large.

Thank you.

Chairman MILLER. Thank you. We are going to miss that vote.

Now, let's see if we can get out of here in time. A couple of questions that come to mind: First, Ms. Brubaker, in my work in the 10 years in Congress, I have been closely associated with the Junior League in the number of support roles that they have played for legislation I have had, initiatives I have worked on, not the least of which is the creation of this committee, and I thank you.

Sometimes I look at the Junior League and other women's organizations and, to me, they are kind of a mirror of the evolvement that has taken place in American society.

I just wondered to the extent that the Junior League has become involved in day care, I just wonder how much that reflects the change in the makeup in the status of members of the Junior Leagues.

More of them are working now than maybe were 20 years ago or 10 years ago. Is there a comment to be made there? I think it is important because I am not sure if the perception of male Members of Congress of the Junior Leagues in their makeup is quite accurate, just as it may not be for the future of Future Homemakers.

I just wondered if you might comment on that, if there have been——

Ms. BRUBAKER. Changes?

Chairman MILLER. Or a profile on Junior Leagues, how many of the members are professional, single parents at home in households at this point.

Ms. BRUBAKER. As I said when I first started, the profile of our membership is a mirror of the communities that we live in and over half of all of our members are working, and a large percent are mothers who need day care for themselves, so I think that the image of the woman that stays at home, doesn't really have anything else to do, goes out in the community and is Lady Bountiful, has certainly changed because the organization has changed.

Chairman MILLER. I have had members who have said you know who is in this, like, you know, what are they doing in this?

Ms. Brubaker. Yes, and also because we have taken a much more aggressive position as far as public policy goes, which has happened over the last 10 years. I think that is because women in America are changing. The whole situation of women now has changed dramatically and that is reflected in most women's organizations.

Chairman Miller. In the Future Homemakers, what would you expect that the number of those Future Homemakers is going to be in the work force?

Ms. Liddell. I would estimate approximately 90 percent expect to work outside the home.

Chairman Miller. The young women you are talking about, their self-expectation is 90 percent of them will be in the work force?

Ms. Liddell. That is right.

Chairman Miller. With a family?

Ms. Liddell. That is right, and of our membership approximately 10 percent of 350,000 are young men, and most of those young men come to the organization through family life education and child development courses, so they also see themselves as supporters of women who will be working in the work force, and/or caregivers of young children themselves.

Chairman Miller. Ms. McNair?

Ms. McNair. I would like to say that that was an interesting question that you asked because that question has been posed to Delta Sigma Theta Sorority. Delta, of course, is a public service sorority. It is not one of those tea-sipping kinds of organizations, but people do have that perception sometimes of sororities.

We went into our communities with the overall perception that we are they and they are we. Most of our members, of course, are college-trained and college-educated women, but within our own ranks there is a great percentage of women who fell into the category of single parents who have the same concerns about day care and the other services that they need in terms of raising children alone, for whatever reason, so the image of a lot of women's organizations has been a barrier, but I see women's organizations breaking that barrier, sometimes out of necessity, and sometimes out of the fact that women are moving to address issues that are of greater concern to the universal population, more so than their own specific personal kinds of things.

Chairman Miller. What is the biggest barrier? We have heard now throughout the year, and especially in the last couple of days, the question of licensed or unlicensed facilities. What is the biggest barrier for people coming forward and receiving a license?

Ms. Weinstein. I think it really would have to be the cumbersome regulatory process. I don't think it is a single answer, but it is sort of a broad panoply of regulations and how they impact on a provider from the costly startup requirements to the lack of training to the 6 months that it may take a regulatory agency to actually get out to a provider's house, to the fact that providers find themselves increasingly in the position of caring for children that have no other place to go, the latchkey children, for example, and yet they are being held, they are being restricted to five children, perhaps even six children, and yet they have got three or four before and after school kids that are showing up, and so they feel that to become regulated they will constantly risk losing their certification, losing whatever that licensing standard might be when someone comes out to monitor the home and finds the two or perhaps three extra children.

Chairman MILLER. Let me just interrupt. There you are talking in the case meaning State or city licensure requirements?

Ms. WEINSTEIN. Yes.

Chairman MILLER. So it varies from State to State, I would assume?

Ms. WEINSTEIN. Regulations vary from State to State; 42 States require some form of licensing or registration or some type of regulation. Another seven States——

Chairman MILLER. Is there a distinction—Congresswoman Johnson talked a little bit about distinction in people's minds between registering and licensing.

Ms. WEINSTEIN. I think there is. I think that there is some misperception about what registration is. I think there is some concern about what licensing is, but actually people have seen registration as a way of deregulating child care, and at a time when we are all concerned about adequate standards and safety for children, there is great concern about registration.

In fact, I would suggest that registration is reregulatory as opposed to deregulatory in that what it does most importantly is bring new partners into the whole monitoring regulatory system, most importantly being parents.

Until we can adequately encourage parents, until we give them a role in monitoring care, we will in fact continue to have growing numbers of cases where parents, because of the lack of responsibility in the role that they simply don't have in the regulatory system, will be compromising the places that they are leaving their children.

Chairman MILLER. Ms. Quinn, let me ask you, to what extent has your organization been successful in using school facilities? In most communities the nature of and the population has changed for the purpose of after-school care.

Ms. QUINN. Do you want me to speak on behalf of girls club or on behalf of the collaboration agency or both?

Chairman MILLER. Both or whatever. Again, there has been conflicting testimony. Some people say school boards are easy to work with and other people say no, just leave us alone. We are not going to do this kind of work.

I just wondered if you had a national look at it, to examine what extent people have been able to use those facilities for after-school care.

Ms. QUINN. I would say that both of those assessments are correct. We have examples throughout the Collaboration agencies of successful partnerships between youth-serving organizations and public schools, so I would say that it is possible, and that I think we have a lot to teach about those experiences and about what constitutes, how to achieve successes in formulating one of those partnerships, but I do think that it takes a willingness on both sides and a lot of hard work, but we do have several examples representing the YWCA. I know that they have a program in the Los Angeles Unified School District. We have a couple of programs in girls clubs and I know that several other agencies do too.

Chairman **Miller**. All school sites?

Ms. **Quinn**. Not all. We have a number of others.

Chairman **Miller**. No, no, but when you say you have examples, you are talking about school sites?

Ms. **Quinn**. Of programs where we are running these school-age child care programs in school facilities, in some cases before school and in many cases after school, so I would say there has been quite a bit of success.

I am not saying that we have not encountered some resistance along the way also.

Chairman **Miller**. No, I understand. Ms. Brubaker.

Ms. **Brubaker**. I just wanted to say one thing on that.

I know in Miami they have a Y program for schools and after-school care. The thing that I have heard, I think it is different in different places according to school boards, but I think one of the problems that we have heard is that it costs to keep the facilities open and that is one of the barriers to getting that going. That is where I think funding would help.

Chairman **Miller**. Thank you very much for your testimony, for your support of this committee on this issue and for your support of this committee in its existence. We all owe you a great deal.

The formal record of the child care initiative that the committee has undertaken in these 2 days of hearings will be held open for a period of 10 days. Beyond that, obviously the committee is always interested in receiving testimony, studies, and information on this and any subject of concern to children and the families in which they live, but the formal record will, for all purposes, be closed in 10 days' time.

Thank you very much. The committee stands adjourned.

[Whereupon, at 2:20 p.m., the committee was adjourned.]

APPENDIX

NOV 7 1984

Future Homemakers Of America

National Headquarters and Leadership Center
1910 Association Drive, Reston, Virginia 22091
(703) 476-4900
FHA Chapters / HERO Chapters

November 2, 1984

The Honorable George Miller
Chairman
Select Committee on Children,
Youth, and Families
385 House Office Building Annex 2
Washington, D.C. 20515

Dear Congressman Miller:

Needless to say, it was a special pleasure to have the opportunity to present testimony to the Select Committee on Children, Youth, and Families. The corrected testimony is enclosed.

I am also including some statistical data from the Hubert Humphrey Institute of Public Affairs in support of my comment on the number of our members who are young women who expect to work outside the home.

We would be pleased to contribute additional data as needed.

Sincerely,

Louisa Liddell

Louisa Liddell
Executive Director

encs: 2
LL:jm

A national vocational student organization involving over 8 million young men and women since 1945.

Hubert H. Humphrey Institute of Public Affairs
University of Minnesota

Women, Public Policy and Development Project

Arvonne Fraser, Senior Fellow and Project Director (612) 376-9785
909 Social Sciences Building • University of Minnesota • Minneapolis, Minnesota 55455

August, 1984

WORKER, MOTHER, WIFE

The Future of Today's Girls

Current trends and Census data point to a very different future for today's girls. Society and many parents expect them to grow up to be wives, mothers and sometime workers. All trends indicate the reality will be different. They will be workers, mothers and wives, in that order.

Later marriage, smaller families, rising divorce and remarriage rates, longer life spans, and changing economic conditions have all driven women out of the home and into the paid work force.. Today, the average 20-year-old woman can expect to spend close to 30 years in the paid labor force. The woman of the future will be self-supporting much of her life, contribute to the financial support of her children, and be responsible for her retirement and old age.

In 1900, a 20-year-old white woman could expect to spend 18 years in childbearing, be widowed at 52, live to age 64, and die before her last child left home. At that time, 20% of all American women held jobs outside the home.*

By 1980, a 22-year-old married white woman could expect to have at least one child before she is 40, live to age 79, and run a 47% change of being divorced. (Twenty-two was the average age of marriage for women in 1980.) In 1981, 2 out of 3 wives worked outside the home at least part of the year, and 60% of the full-time homemakers were over 45 years old.

In March, 1984, 62% of women aged 16-64 were in the work force. 44% of labor force participants were women, and 53% of all women were in the labor force.

Today, almost 55% of U.S. children have "working" mothers -- 59% of Black children; 53% of white. One out of every five children lives with a single parent -- usually a mother.

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*Census data usually do not include farm wives as workers unless they have off-farm jobs.. Also, the percentage of women who work is based on all women over age 16, including women over age 65.

More women marry, more married women have children, and more couples divorce

Ninety percent of all U.S. women marry at least once before the age of 30. Of those 90% who marry, 94% will have at least one child.

In 1950, 9% of U.S. women had never married; today it is only 6%. Yet lower proportions of women have been listed as currently married in each census since 1950. In that year, 67% of all adult women were married; in 1980, only 59%.

Between 1950 and 1980, childlessness declined dramatically--from 20% to 6%.

In 1965, married white women aged 18-24 could expect to have 3.1 children. By the late 1970's, this rate had dropped to only 2 children.

In 1983, white women averaged 71.4 births per 1,000, Blacks 85.4, and Hispanics 102.4. Women who did not finish high school had 90 births per 1,000, high school graduates 77.6 and college graduates 63.1. Childbearing is increasing among women in their 30's as are out-of-wedlock births.

The divorce rate more than doubled between 1963 and 1975. Today's estimates are that 1/2 of all marriages entered into since the 1970's will or have ended in divorce. In the late 1970's, the rate of remarriage surpassed the rate of first marriages (129 remarriages per 1,000, compared to 83 first marriages).

Women work more and longer

In addition to housework and child care, employment outside the home has increased dramatically for women. In 1950, 87% of U.S. men were in the paid labor force, 35% of the women. Between 1947 and 1980, the number of women in the paid labor force increased by 173%, the number of men by 43%.

From 1961-81, women accounted for 61% of entrants into the labor force and are expected to constitute an even larger share in the future. Some experts predict that women will constitute two-thirds of the growth in the labor force during this decade, and that they will spend close to 50% of their adult life in the work force.

Women earn about 59¢ for every $1 men earn nationwide. In Minnesota it is 57¢. Fewer Minnesota women work full-time or year-round, but more Minnesota women are in the paid work force than the national average.

Working wives, working mothers

Today, both parents are earners in 60% of all married couples with children under age 18. Two-earner families are the financially successful families. They earn three times that of female-headed families.

In 1981, working wives averaged 43% of what their husbands earned. When both worked full time, year-round, wives earned 62% of what their husbands did. One out of three working wives in 1981 were clerical workers, with average earnings of $8,900. One out of four were in professional or managerial work, averaging $12,200. Husbands in this latter category averaged $28,230.

55% of all working wives in 1981 had at least one minor child in the home.

45% of all preschoolers in 1983 had working mothers.

Black children in two-parent families were more likely to have a working mother; Hispanic children less likely than either white or Black to have a working mother. Median income in 1980 for two-parent families with working mother was $26,500 and $21,300 when the mother did not work outside the home.

Female-headed families

The fastest growing type of family in the U.S. is the female-headed family. From 1972-82, female-headed families increased 57%, compared to a 10% increase in other types. Divorce, lower remarriage rates for divorced women than for divorced men, and children born out of wedlock are mainly responsible.

In 1947, 9.5% of all U.S. families were female-headed; in 1983, 15.9%. One out of five children lives in a female-headed family today; one out of two children can expect to live a part of their lives with a single parent.

In 1959, 23% of all female-headed families were in poverty. In 1980, 47.5% of Minnesota female-headed families with at least one child under age 6 were in poverty. In 1981, four out of ten Black families were female-headed, two out of ten Hispanic families and one out of ten white families. Yet 70% of all women maintaining families are white; 29% Black. Accurate data on Hispanic families are difficult to obtain because many are also included in data on whites.

Unemployment rates for Black women in 1982 were about twice that of white women. In 1982, the rate of unemployment for Black teenage women was 47%.

Sixty percent of women maintaining families were in the labor force in March, 1983. Divorcees have the highest labor force participation rates, widows the lowest.

In March, 1983, 75% of female-household heads who had children over 6 years of age were in the labor force; 55% of those with preschoolers. 83% worked full time, 86% of those aged 25 to 54 were working full time.

Child support

The average annual total child support payment in 1978 was $1,799. Between 1978 and 1981 this figure declined 16%. Only 24% of women received the full child support due in 1978. 4.6 million women did not receive child support payments due them in 1978 and about 1/3 of these women had incomes below the poverty line and were receiving some form of public assistance.

In 1982, only 59% of the 8.4 million women raising children with an absent father had been awarded child support payments. Only 47% of the 4 million awarded child support were paid the full amount in 1981.

Recently the U.S. Congress passed legislation to help states collect child support payments from delinquent parents by withholding from wages, imposing liens on property, reporting child support debts to credit agencies, and deducting from tax refunds. The legislation covers both nonwelfare and welfare cases.

The future -- unless policies change

Based on current trends, the lives of men and women will be very similar. Both will be workers outside the home for a majority of their adult lives. Both will be parents. Both are likely to have more than one spouse during a lifetime.

Unless policies change, the differences between tomorrow's men and women will be in the type and amount of work they do, the responsibilities they bear or undertake, and the amount of income and fringe benefits they receive. Women will be poorer, will work more, and will more likely be the sole supporters of children. As a consequence, children will be poorer.

Traditionally, fringe benefits of employment have been geared toward protecting the worker and *his* family. Women workers have often been assumed to have protection for themselves and their children through a husband. Pension systems have been developed to protect the worker and his dependent wife. Unemployment insurance was designed to cover the primary, long term worker.

Today, employment questions for women include questions of health care for themselves and their dependents, child care, pregnancy leave and maternity benefits, insurance, pensions, social security, disability and unemployment. All become vital when women earn less, live longer and cannot rely on marriage for financial security. Child care and transportation for employees and their children who go to day care centers are also major issues for the growing number of young women who must work to help support their families.

Earnings are directly correlated to education, but women must be much more highly educated than men to earn comparable salaries. In 1981, husbands who had not finished high school earned more than wives who had more than five years of college, $15,100 compared to $14,910.

The challenge for parents, educators, policy makers and the media is to take the recent Census data and current trends into account when developing programs and policies for the future. Failure to do so is an abrogation of responsibility. Public policy based on nostalgia for a world that might have been is destined to create social, economic and political chaos for future generations.

* * * * *

Sources for this publication include:

American Women: Three Decades of Change; Earnings in 1981 of Married Couple Families,
Bureau of the Census
Department of Commerce
Washington, D.C. 20233

Children of Working Mothers; Women at Work: A Chartbook; and *Monthly Labor Review*
Bureau of Labor Statistics
U.S. Department of Labor
Washington, D.C. 20212

Work and Women in the 1980's
Women's Research and Education Institute
Congressional Caucus for Women's Issues
204-2nd Street, S.E.
Washington, D.C. 20003

A Growing Crisis: Disadvantaged Women and Their Children
U.S. Commission on Civil Rights
Washington, D.C. 20425

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HARVARD UNIVERSITY
DEPARTMENT OF PSYCHOLOGY AND SOCIAL RELATIONS

SEP 12 1984

William James Hall
33 Kirkland Street
Cambridge, Massachusetts 02138

September 10, 1984

Representative George Miller
Chairman
Select Committee on Children, Youth, and Family
U.S. House of Representatives
House Annex 2
Second and D Streets, S.W.
Washington, D.C. 20515

Dear Congressman Miller:

I understand that the results of the day care study that I conducted in Bermuda in collaboration with Drs. Sandra Scarr, Deborah Phillips, J. Conrad Schwarz, and Susan Grajek have been discussed at your recent day care hearings. I am extremely pleased that our work is receiving the attention of those who can make a real contribution to enhancing the quality of day care in this country.

I do, however, want to inform you about our most recent findings, particularly with respect to infant day care and children socio-emotional development.

By way of introduction I would like to call your attention to some of the special features of our research. First, along with the research of Alison Clarke-Stewart in Chicago, this is the most recent large-scale study of day care which looked specifically at questions of both quality of care and age of entry into day care. Second, every day care center in Bermuda that provides care for children from infancy through the preschool years participated in this research. The data, therefore, are derived from representative programs that reflect the real options from which most parents must choose their child care arrangements. Third, 84% of Bermudian children spend the majority of the 40-hour work week in some form of non-maternal child care by age 2. Thus, we were able to look directly at the effects of infant day care without the selection biases that have restricted the validity of studies of infant day care in the United States. Fourth, we used actual questionnaires for parents and caregivers to assess social and emotional development rather than relying on laboratory models of attachment, the validity of which have never been established.

There are several new findings that I want to highlight:
(I) Children who had entered day care as infants and children who had entered day care at later ages were not differentiated on parent or caregiver ratings of aggression, hyperactivity, dependency, introversion, considerateness toward adults and peers, task orientation, intellectual ability, or peer vs. adult orientation. Let me highlight this last null finding, given the common misimpression that children in day care are socialized to comply with peer standards or behavior and to resist adult social standards. Again, we assessed this directly with a series of questions based on Urie Bronfenbrenner's model

of this construct and no effects for age of entry into day care were found.

II) One variable (out of 9) did show a significant effect for age of entry into day care, anxiety, and only on the caregiver ratings. But even this finding must be qualified in light of the fact that the effect for age of entry into day care was related to the quality of the day care program. Specifically, children who entered day care of poor quality at an early age were rated by their caregivers as more anxious than children who entered at a later age. Correspondingly, young children who enter high quality programs do not exhibit greater anxiety than their peers who enter day care when they are older.

III) Finally, in an article that is currently under review for publication (see enclosed paper) we compared the effects of day care for a sub-group of children attending the highest quality program in Bermuda (a government-run program) and children attending lower-quality programs. The central finding is that the children in the high-quality government program fared significantly better than the other children on the measures of social and emotional development described above (specifically, considerateness, sociability, task orientation, and intelligence) These children also performed better on standardized measures of language skill and intellectual ability. Thus, day care can serve as an effective intervention.

To summarize, if there is a single conclusion that can be drawn from our data, it is that good day care programs do not harm children. Indeed, they appear to promote positive development, both cognitive and social. The conclusion holds for infants as well as for children of all other ages. The issue is one of quality and not one of age of entry. Just as there are better and worse homes, there are better and worse day care centers. It comes as no surprise that good day care programs are good for children.

These findings also reiterate those of the New York Infant Day Care Study and your federally-funded National Day Care Study, both of which demonstrated the benefits that can be reaped by investing in quality day care programs.

I hope this brief summary of our newest findings is helpful to you in your important deliberations about this vital service for our nation's children and families. My colleagues and I feel that it is terribly important to ensure that your record is complete, accurate, and up-to-date.

Please do not hesitate to call with any questions you might have (617-495-3817).

Sincerely,

Kathleen McCartney

Kathleen McCartney, Ph.D.
Assistant Professor

Enc. (1)

Day Care as Intervention:
Comparisons of Varying Quality Programs

Kathleen McCartney

Harvard University

Sandra Scarr

University of Virginia

Deborah Phillips

University of Illinois at Urbana-Champaign.

Susan Grajek

Yale University

Running head: Day Care as Intervention

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Abstract

Disadvantaged children attending a high-quality, government-run intervention program were compared with children attending other day care programs of varying quality on intellectual, language and social skill. Although the intervention children had less intelligent mothers of lower occupational status, they were rated by their caregivers as having better communicative skills and were rated by both their parents and their teachers as more considerate and more sociable than children attending other day care programs. When the intervention children were compared to children of similar family background, these findings held, and in addition, the intervention children had higher IQs and higher scores on the Preschool Language Assessment Instrument. Thus, high-quality day care can be an effective intervention. Effect size estimates are compared with those from other intervention programs. The advantages of the present study are discussed, which include knowledge of control group day care experience.

Day Care as Intervention:

Comparisons of varying quality programs

Interest in providing day care for working parents and interest in providing compensatory education for children from low-income families burgeoned during the 1960's. Not surprisingly, many of the early childhood intervention programs used a day care or nursery school format. Unfortunately, few of these programs have been systematically evaluated, although notable exceptions exist (e.g., Klaus & Gray, 1968; Miller & Dyer, 1975; Ramey & Haskins, 1981; Seitz, Rosenbaum & Apfel, 1983; Weikart, Bond & McNeil, 1978). In addition, most evaluations of intervention programs have focused on measures of intelligence as outcome criteria (Zigler and Trickett, 1978). From the pessimistic Westinghouse Learning Corporation report (1969) on the low impact of Head Start to the more optimistic findings of the Consortium for Longitudinal Studies (Lazar, Darlington, Murray, Royce and Snipper, 1981), the findings from studies of the effectiveness of early childhood intervention programs have been controversial. One interpretation is clear. Such programs have been shown to be at least somewhat effective for IQ, with children from low-income families. Belsky and Steinberg (1978) have made this point with respect to day care intervention evaluations, noting that "enriching day care experience may attenuate some of the adverse effects typically associated with high-risk environments" (p. 932).

Evaluation strategies for these programs have included random selection of children to control and treatment groups (e.g. Ramey and Haskins, 1981; Weikart et al., 1978), quasi-experimental assignment of children to control and treatment groups (e.g. Miller and Dyer, 1975), and identification of matched control and treatment groups (e.g. Lally, cited in Belsky and Steinberg, 1978). Recently, Cronbach (1982) has suggested examining variations in treatment intensity as a means of evaluating the effectiveness of treatment programs. This approach avoids problems associated with control group comparisons, such as contamination. With respect to day care intervention, a sound evaluation strategy might consist of a comparison of higher with lower quality programs, with quality serving as a proxy for treatment intensity. The present study is unique in that children attending a high quality intervention program were compared with a group of children attending programs of varying quality from a representative population of day care programs. It is therefore possible to ascertain whether the outcome varies with program quality or intensity.

This work is an extension of previous work in nine day care centers chosen to reduce center selection biases. One of the nine centers was a high-quality government-run intervention program serving low-income families. The previous work demonstrated that quality of the day care environment affects children's intellectual, language and social development, even when the family background and current care experience are controlled statistically using multiple regression (McCartney, 1984; McCartney, Scarr, Phillips, Grajek and Schwarz, 1982). Previous analyses have not addressed the question of intervention; quality was treated as a continuous variable. In the present study, the government intervention program is compared with the remaining programs using two strategies: 1) a comparison with all children attending other programs, and 2) a comparison with only those children of similar family background attending other programs. Thus, this study controls directly for the potential mediating effects of family background. The paper concludes with an examination of effect-size estimates from this and other day care intervention studies.

Method

Day Care Settings

Bermuda was chosen as the site of this research since it is a place in which center selection biases are minimized in two ways: 84% of the two-year-olds are in substitute care, and parents tend to select centers based on convenience to home or work rather than quality of the program. When this research project began there were nine day care centers that accepted children from infancy through the preschool years and that had been in operation for five or more years. All nine centers agreed to participate in the study. Eight were privately owned; the remaining center was the government-run program for low-income families.

Two observers independently rated each of the nine day care centers using the Early Childhood Environment Rating Scale (Harms and Clifford, 1980). The scale consists of 37 items that range from quality of the furnishings to the amount of creative activities caregivers provide for the children (inter-rater reliability was high, r=.82). The government intervention center was scored by two raters as highest in total quality (191 of a possible 259 points). The range of scores for the remaining 8 centers was 67 to 153; the median was 121. Verbal interaction with caregivers was also observed in each center for 8 hours. The government intervention center and another center were observed to have the largest amount of verbal interaction. It is clear that the government intervention center is the highest quality center of the 9 centers investigated.

Must one rely on an ambiguous global index of quality? Unfortunately, the answer is yes. The correlations among the 6 scales from the Early Childhood Environment Rating Scale ranged from .60 to .92. In addition, the correlation between the Early Childhood Environment Rating Scale and the amount of verbal interaction between caregivers and children was .70. There is a co-occurrence of "good things". Therefore, it is difficult to differentiate among dimensions of quality.

It is possible to speculate about what quality in this case might reflect by examining the field notes kept by the two observers who collected data on verbal interaction. The field notes consist of narrative descriptions that reflected typical and unusual characteristics and events as well as personal reactions. The notes suggest several characteristics of the government intervention day care center that set it apart from most of the privately owned centers. First and perhaps most important is the high level of caregiver enthusiasm. Second, though related, is caregiver planning. The government intervention center offers an eclectic curriculum, since the caregivers continuously experiment with new methods. This is in contrast to most, though not all, of the remaining programs in which the caregivers either drill children on colors and numbers or plan only free play. Third, the physical facilities of the government center are excellent, including a large playground, a staff room and a child-sized lavatory.

Subjects

All families with a child three years or older who had attended one of the nine centers for six months or more were asked to participate in the study. In total, 166 families, 130 black and 36 white, participated; there were 15 refusals. All 22 families with a child in the government intervention program participated.

Measures

Three sets of measures were used to assess 1) family background, 2) intellectual and language skill, and 3) social skill.

To assess family background, questionnaires were designed to gather family demographic data as well as the child's substitute care experience. The Peabody Picture Vocabulary Test-Revised (PPVT-R, Dunn, 1979) was also included to measure mothers' intellectual competence.

To assess intellectual and language skill, two standardized tests, the PPVT-R and the Preschool Language Assessment Instrument (Blank, Rose and Berlin, 1979) were used, in addition to caregiver ratings of the Adaptive Language Inventory (Feagans and Farran, 1979) and research team ratings of speech samples collected during an experimental task administered to a randomly selected subgroup of subjects (see McCartney, 1984, for more detail regarding the assessment of communicative competence).

Social skill was measured by the preschool version of the Classroom Behavior Inventory (Schaefer and Edgerton, 1978) and by the Preschool/ Behavior Questionnaire (Behar and Stringfield, 1974). The Classroom Behavior Inventory consists of 43 items and yields 5 factors: intelligence, task orientation, dependency, consideration, and extraversion, here called sociability; the last three factors were considered measures of social development. The Preschool Behavior Questionnaire consists of 30 items on three scales of maladjustment: hyperactive-distractable, aggressive-hostile, and anxious. A caregiver and one or both parents rated each child. Caregivers rated the entire class item by item to reduce potential halo effects.

Results

Two methods were used to determine whether high-quality day care can be used as an effective means of intervention for children from low-income families. First, children from the government intervention program were compared with children attending the remaining 8 centers. Second, children from the government intervention program were compared with a subgroup of children of similar family background from the remaining 8 centers. The data analysis strategy was the same for each method: 1) to compare mean group differences for measures of family background and intellectual, language and social skill and 2) to examine effect-size estimates to determine the strength of identified effects.

Effect-size estimates express group differences in standard deviation units and reduce bias when synthesizing outcomes from many studies (Pillemer and Light, 1980; Rosenthal, 1978). Effect-size was measured using the formula recommended by Glass, McGaw and Smith (1981): the difference between the mean of the treatment group (here the government intervention group) and the mean of the control or comparison group divided by the standard deviation of the control group. Interpreting the strength of an effect-size estimate is partly determined by what one is measuring; however, Cohen (1969) has offered a useful rule of thumb: .50 is a moderate effect size and .80 is a large effect size.

Comparison with children attending all other infant day care programs

The findings for the first comparison between the 22 children attending the government day care program and the 144 children attending lower quality day care programs are presented in Table 1. There were 4 measures of family background included in the study that have been widely used as socioeconomic status indicators: mother's education, mother's occupation, mother's PPVT-R IQ, and household size. Children attending the government intervention program have mothers with lower prestige occupations as measured by the National Opinion Research Center Occupational Classification Scale (1978) and have mothers with lower PPVT-R IQ scores.. This makes sense since children are selected for the government intervention program based on low income and family need. The question remains whether intervention is effective.

With multiple dependent variables the use of multivariate analysis of variance (MANOVA) is indicated. The advantages of MANOVA include protection against type I error and the potential to discover group differences that could only be revealed by considering dependent variables in combination. Unfortunately, there are problems of interpretation associated with the use of MANOVA. The order of entry of variables in the analysis is critical; typically, higher priority for entry is given to more important variables, as determined by either a statistical criterion or a theoretical criterion. For this reason, Tabachnick and Fidell (1983) caution against using MANOVA. They also offer a reasonable compromise. Upon finding a significant multivariate effect, they recommend reporting cell means, for those dependent variables with high univariate *F*'s. They also note that significance levels for univariate *F*'s are uninterpretable. However, effect-size estimates are of greater interest.

There are four measures of intellectual and language skill and 12 measures of social skill. A MANOVA on 15 of these measures (the Communication Task could not be included because it was administered to a subsample) revealed a significant group difference between the children attending the government intervention program and the children attending the remaining centers ($F(15, 127) = 2.43$, $p < .01$ using Wilk's criterion). Thus, it is appropriate to consider effect-size estimates for significant group differences.

The results for group differences on intellectual, language, and social skill are also presented in Table 1.

Table 1

Comparisons Between Children from the Government Intervention Program and All Children Attending Other Day Care Programs

Family Background	X Intervention	X All Others	t	Effect-Size Estimate
Mother's Education	11.57	12.28	-1.40	---
Mother's Occupation	34.21	41.91	-2.48**	.63
Mother's PPVT-R	77.50	86.09	-1.74*	.41
Household Size[a]	4.71	4.12	1.54	---

Intellectual and Language Skill	X Intervention	X All Others	t	Effect-Size Estimate
PPVT-R	86.50	82.24	1.07	---
Preschool Language Assessment Instrument	1.44	1.30	1.28	---
Adaptive Language Inventory	3.60	3.07	3.22***	.79
Communication Task	39.88	33.37	1.32	---

Social Skill	X Intervention	X All Others	t	Effect-Size Estimate
Preschool Behavior Questionnaire (Total Maladjustment)				
Parent	1.48	1.47	.28	---
Teacher	1.71	1.69	.27	---
Classroom Behavior Inventory (Social Competence)				
CBI: Considerateness				
Parent	3.33	3.18	2.11**	.50
Teacher[a]	3.21	2.98	4.17***	.56
CBI: Dependent				
Parent	2.32	2.29	.25	---
Teacher	2.34	2.51	-1.00	---

Table 1. continued

Social Skill	$\bar{X}$ Intervention	$\bar{X}$ All Others	*t*	Effect-Size Estimate
CBI: Sociability				
Parent	3.43	3.29	1.78*	.41
Teacher[a]	3.20	2.88	4.92***	.68
CBI: Intelligent				
Parent	3.86	4.00	-1.22	---
Teacher	3.56	2.97	2.82***	.67
CBI: Task Oriented				
Parent	3.76	3.83	-.60	---
Teacher	3.55	3.04	2.44**	.58

Note: *t*-tests are one-tailed.

[a] *t*-value computed for unequal variances

*$p < .05$

**$p < .01$

***$p < .001$

There is some evidence that children from these low-income families who are attending the government day care center perform better on tests of language and social skill. More specifically, they are rated by their caregivers as having better language skills on the Adaptive Language Inventory and they are rated by both their parents and their caregivers as being more considerate and more sociable on the Classroom Behavior Inventory. It should be noted that sociability and considerateness are not orthogonal ($r = .37$, $p < .01$ for parents; $r = .70$, $p < .01$ for caregivers). Neither parents nor caregivers report differences between the two groups on total maladjustment as measured by the Preschool Behavior Questionnaire, differences on the three subscales of the Preschool Behavior Questionnaire, or differences on dependency as measured by the Classroom Behavior Inventory. Parents and caregivers differed in perceptions of two related factors of the Classroom Behavior Inventory, intelligence and task orientation. Caregivers from the government center rated their children higher on these skills, while parents did not make this discrimination. Again, these factors were not orthogonal ($r = .64$, $p < .001$ for parents; $r = .88$, $p < .001$ for caregivers). There is evidence that caregivers' ratings are less biased than parents' ratings with respect to intelligence and task orientation. Caregivers' ratings, but not parents' ratings, were significantly correlated with children's PPVT-R IQ ($r = .37$, $p < .001$ for ratings of intelligence; $r = .23$, $p < .001$ for ratings of task orientation). Thus, parents' ratings would seem to be more subject to the influence of social desirability for intellectual skill than for social skill.

Note that the affect-size estimates for all significant group differences are in the moderate to high range. These results suggest that the government day care intervention program is an effective one even when children attending the program are compared with a sample of children of higher socioeconomic status as measured by the mother's occupation and mother's PPVT-R IQ.

Comparison with children of similar family background

In a second set of analyses, children attending the intervention program were compared with a subsample of children from similar family backgrounds attending the lower quality day care centers. Because all of the children attending the government center were black, we decided that the comparison group should consist of only black children. Although most of the centers cared almost exclusively for black children, one center cared for a large proportion of the white children in the study; therefore, that center was eliminated from the comparison group as a first step. As a second step, all children whose scores did not fall within the range of scores of the government intervention children on all four of the family background variables were eliminated from the comparison group. This subsample, selected with range restriction of demographic variables only, still consisted of mothers of a higher occupational level (t=1.98, p<.05). To create a suitable comparison group, a third step was needed in which mothers of high occupational status were eliminated. Since range restriction of any variable was deemed undesirable, mother's occupational status was teamed with a second related variable, mother's PPVT-R IQ, and children with mothers in the upper quartile on both variables were eliminated. The ranges of these two variables were not affected by this procedure.

The new comparison group consisted of exactly half, or 72, of the 144 subjects attending private care centers, and did not differ statistically from the government day care sample on any of the four family background variables (see Table 2).

Table 2

Comparisons Between Children from the Government Intervention Program and Children of Similar Family Background Attending Other Day Care Programs

Family Background	X Intervention	X All Others	t	Effect-Size Estimate
Mother's Education	11.57	11.93	-.73	---
Mother's Occupation	34.21	37.79	-1.13	---
Mother's PPVT-R	77.50	78.36	-.23	---
Household Size[a]	4.71	4.18	1.34	---

Intellectual and Language Skill	X Intervention	X All Others	t	Effect-Size Estimate
PPVT-R	86.50	79.17	1.98**	.48
Preschool Language Assessment Instrument	1.44	1.24	1.89*	.46
Adaptive Language Inventory	3.60	3.02	3.03***	.80
Communication Task	39.88	31.15	1.63	---

Social Skill	X Intervention	X All Others	t	Effect-Size Estimate
Preschool Behavior Questionnaire (Total Maladjustment)				
Parent	1.48	1.48	.00	---
Teacher	1.71	1.67	.46	---
CBI: Considerateness				
Parent	3.33	3.17	2.05**	.51
Teacher[a]	3.21	2.92	4.11***	.63
CBI: Dependent				
Parent	2.32	2.38	-.49	---
Teacher	2.34	2.46	-.65	---
CBI: Sociability				
Parent	3.43	3.25	2.00**	.48
Teacher	3.20	2.82	4.65***	.73

Table 2, continued

Social Skill	X Intervention	X All Others	*t*	Effect-Size Estimate
CBI: Intelligent				
Parent	3.85	3.95	-.74	---
Teacher	3.56	2.86	2.92***	.73
CBI: Task Oriented				
Parent	3.76	3.82	-.48	---
Teacher	3.55	3.00	2.33**	.57

Note: *t*-tests are one-tailed.

^{a} *t*-value computed for unequal variances

$^{*}p < .05$

$^{**}p < .01$

$^{***}p < .001$

A MANOVA on 15 of the 16 dependent measures again revealed a significant group difference ($F(15, 66) = 2.37$, $p < .01$ using Wilk's criterion). The results for group differences on intellectual, language, and social skill showed a similar pattern to the first set of analyses. More specifically, children attending the government day care program are rated by their caregivers as having better language skills on the Adaptive Language Inventory, and they are rated by both their parents and their caregivers as being more considerate and more sociable on the Classroom Behavior Inventory. This correspondence between parent and caregiver ratings lends support to the ratings. As before, parents and caregivers differed in their perceptions of intelligence and task orientation, with caregivers for the government center rating their students higher and parents not making this discrimination.

An important difference between the two sets of analyses is the significant group difference here on the PPVT-R IQ and the Preschool Language Assessment Instrument, which are both standardized tests. In both cases, the government intervention children outscored the comparison group by nearly one-half of a standard deviation (or 7 IQ points on the PPVT-R). A second difference between the two analyses is that the effect size estimates here are for the most part larger than before.

One might reasonably question the validity of caregivers' ratings, yet they appear not to be biased for two reasons. First, caregivers' identification of group differences corresponds to that of parents in all areas except intelligence/task orientation. Second, caregivers' ratings of language skill correspond to standardized test scores ($r = .35$, $p < .01$ for the PPVT-R IQ; $r = .53$, $p < .01$ for the Preschool Language Assessment Instrument). Interestingly, caregivers' ratings also correspond to research team ratings on the communication task ($r = .55$, $p < .01$).

Discussion

The findings from this study clearly show that children attending the high-quality government day care intervention program have better language skills and are more considerate and more sociable than children attending lower quality day care programs. When children from the government intervention program were compared with a group of children of similar family background these findings held, and, in addition, the government intervention group scored significantly higher on the PPVT-R IQ and on the Preschool Language Assessment Instrument than the comparison group. The convergence of these findings with previous hierarchical multiple regression analyses examining variation in quality of day care (McCartney et al., 1982; McCartney, 1984) strongly suggests that quality of the day care environment does indeed affect child development. In these previous analyses center selection was controlled statistically with measures of family background and home environment; however, the question of whether family background might be mediating identified effects remained open. In the present study, which controlled directly for the mediating influence of family background, the positive effects of high quality day care still emerged, demonstrating that day care can serve as an effective means of early intervention. This conclusion could be stated with more force if pretest data had been collected so that center selection biases could be examined.

Many have suggested that intervention programs are in part successful because mothers are relieved of the care of their children for at least part of the day and therefore are better able to care for their children when they are with them. Although this may be true, the present study suggests, not surprisingly, that the content of intervention programs is important. Just as there are good homes and bad homes, there are good day care programs and bad day care programs. It comes as no surprise that good day care programs are good for children.

Although it was difficult to identify dimensions of quality due to the co-occurrence of "good things", children did better in centers in which caregivers were organized and planned activities for the children (McCartney, 1984). The government intervention program is good not only for that reason but also, in particular, because of the caregivers' enthusiasm and the fact that they use their intuition to permit sensible educational policy decisions. However, one cannot conclude that the government program is a model all programs should imitate. There was not enough range in educational philosophy among the nine centers in the study to make specific conclusions about preschool curriculum. The issue here is one of quality, specifically that high quality day care can be an effective intervention.

There are variations, of course, among high quality day care programs, and this is where effect-size estimates are helpful. For comparison purposes, effect-size estimates on IQ were computed here for the five exemplary day care intervention studies noted in the introduction of this paper. Klaus & Gray's (1968) evaluation of two summer preschool programs yielded an effect-size estimate of .47.[1]1 Miller & Dyer's (1975) evaluation of four treatments for four-year-olds yielded an effect-size estimate of .61. Both Ramey & Haskins (1981) and Seitz et al. (1983) evaluated extensive day care and family support interventions. Their findings are quite different. Ramey and Haskins report data that yield an impressive effect-size estimate of .97, while Seitz et al. report a nonsignificant trend with the control group exceeding the experimental group. A higher attrition rate in Seitz et al.'s experimental group may account for their findings. Finally, Weikart et al.'s (1978) evaluation of a half-day preschool program for three- to five-year-olds also yielded an effect-size estimate of .97. The effect-size estimate of .48 found here for IQ lies in the middle of the range of estimates found for these other five programs. The difference in effectiveness among programs may be due to differences in treatment (i.e., curriculum) or differences in control group experience. All the control group children in the present study were in day care, and it may be that the day care experience was somewhat beneficial. One of the advantages of this study is the knowledge of control group experience. A second advantage is the broad range of children's skills that were evaluated. It will be interesting to see whether other research supports the findings with respect to consideration and sociability.

The finding of the present study that variations in day care quality do not seem to affect emotional maladjustment, as measured by caregiver and parent ratings on the Preschool Behavior Questionnaire, is important. Previous hierarchical regression analyses showed that maladjustment was

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1. The June 1966 Stanford-Binet IQ data were used. Because standard deviations for the samples were not given, the population estimate, 16, was used to compute the effect-size estimate.

predicted by early age of entry into day care and high quality of care (McCartney et al., 1982). Obviously, the finding of a positive relationship between high quality and maladjustment was surprising. In light of the present study, this finding is in doubt and it may have been due to multicollinearity in the regression model.

Social policy considerations, especially cost-benefit analyses (Ruopp & Travers, 1982), will play a major role in determining whether day care will ultimately be viable as an intervention tool (Zigler and Finn, 1981). For this reason, sound evaluations of programs that will lead to the refinement of our intervention tools are critical.

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UNITED
DAYCARE
CENTER

1005 Stover, Fort Collins, Colorado 80524 303-493-262

July 1983

Cost Effectiveness at United Day Care Center

Traditional reports from Human Services Agencies are usually based on highly intangible long-term social results. For several years we have been completing reports on the cost effectiveness of day care.

Currently we have 72 children from single parent families with an average of over 66 thru the year. If some kind of sliding scale assistance were not available to help with day care cost, they might be forced into complete dependency on welfare. The psychological effect is very damaging to the entire family.

In 1982 we had a monthly average of 38 children from 27 families (a total of 60 different families thru the year) receiving partial Social Service Day Care support. For a family to receive social service day care support there must be a working single parent who is the head of household. Parents paid part of the fee to social services. UDCC received a total of $55,028 from social services.

Sliding scale from UDCC provided assistance to a monthly average of 42 children from 34 families (a total of 62 different families thru the year). United Way and Human Resources monies are used to provide this assistance (See Sliding Scale Criteria). In 1982 UDCC received from these two agencies $37,496 which helped in keeping sliding scale families self supporting. If the total of social service and sliding scale families had been on ADC for the full year it would have cost the taxpayers $672,000.

Some of the benefits to the community include the income expended by the 112 families and 27 employees at UDCC. The city is receiving at least $20,000 in sales tax alone. The city and county funding support to UDCC was $10,000 in 1982.

The short term investment keeps people off the welfare rolls who might otherwise need support for years. In addition these people's incomes are contributing to the economic well-being of the community while the subsidy savings and tax incomes accruing to participating governments more than pays the cost of the program.

Funding United Day Care Center makes good economic sense in the long run because it helps improve the chances for the children to become productive adults in the future, while at the same time helping their parents to be productive adults in the present.

A United Way Agency

UNITED DAY CARE CENTER

Sliding Scale Eligibility Criteria

Effective October 27, 1982

United Day Care Center's main goal is to provide a high quality day care program. Our purpose is to promote the healthy and well rounded development of children in our care and to provide a support system for UDCC families. We serve primarily the children of working parents and our sliding scale assistance makes day care possible for low income families. We have developed the following guidelines by which eligibility for sliding scale assistance is to be determined.

1. Every family has the right to apply for sliding scale assistance provided by UDCC.

2. Families or individuals eligible for day care assistance provided through the Larimer County Department of Social Services are not eligible for UDCC sliding scale assistance.

3. Two parent families are eligible for sliding scale assistance if they meet one of the following criteria:

   a. Each parent works a minimum of 30 hours per week.

   b. One parent works a minimum of 30 hours per week and the other is a full-time student and works a minimum of 15 hours per week. Such a family shall be eligible for sliding scale assistance for no longer than 2 years. Preference shall be given to vocational and undergraduate students.

   c. One parent works a minimum of 30 hours per week and the other is receiving unemployment compensation. Such a family shall be eligible for sliding scale assistance for no longer than three months.

   d. One parent works a minimum of 30 hours per week and the other parent is disabled. The definition of disability for purposes of this criterion shall lie with UDCC.

4. Single parent families are eligible for sliding scale assistance if they meet one of the following criteria:

   a. The parent works a minimum of 30 hours per week.

   b. The parent is a full-time student and works a minimum of 15 hours per week. Such a family shall be eligible for sliding scale assistance for no longer than 2 years. Preference shall be given to vocational and undergraduate students.

   c. The parent is receiving unemployment compensation. Such a family shall be eligible for sliding scale assistance for no longer than 3 months.

   d. The parent is disabled. The definition of disability for purposes of this criterion shall lie with the UDCC.

5. Refugee or immigrant families from non-English speaking countries whose child or children have been in the United States for a period shorter than 2 years shall be eligible for sliding scale assistance for no longer than 2 years if they meet one of the following criteria:

   a. One parent works a minimum of 30 hours per week.

   b. One parent is a full-time student and works a minimum of 15 hours per week.

   c. Non-United States citizens with a student visa are normally excluded from sliding scale assistance. Special cases may be referred to the sliding scale committee for consideration.

6. Sliding scale eligibility shall be determined on a first come, first serve basis within the limits of available sliding scale funds.

   a. The amount of tuition to be paid by families eligible for sliding scale assistance shall be determined in accordance with the UNCC Sliding Scale chart.

   b. No more than 33 1/3% of sliding scale assistance funds shall be allocated to families whose eligibility is based on the fact that a parent is a student.

7. Income of the applicant family must be verified before the application can be approved.

8. Families are not eligible for sliding scale tuition assistance if the regular tuition charge for all children attending UNCC is less than the parent payment indicated on the sliding scale chart.

MONTHLY

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
liding Scale Fee Youngest Child	18.40	36.75	55.15	73.50	91.90	110.25	128.65	147.00	165.40	183.75	183.75	183.75	183.75	183.75	183.75	183.75	183.75
ee/2nd child 0% of Sliding Scale	5.55	11.05	16.55	22.05	27.60	33.10	38.60	44.10	49.65	55.15	73.50	91.90	110.25	128.65	147.00	165.40	165.40
e/ each add. child % of Sliding Scale	1.85	3.70	5.50	7.35	9.20	11.05	12.90	14.70	16.55	18.40	36.75	55.15	73.50	91.90	110.25	128.65	147.00
mily of 2	449	450-539	540-629	630-719	720-809	810-899	900-989	990-1079	1080-1169	1170-1259	1260-1349	1350-1439	1440-1529	1530-1619	1620-1709	1710-1799	1800-1889
mily of 3	539	540-629	630-719	720-809	810-899	900-989	990-1079	1080-1169	1170-1259	1260-1349	1350-1439	1440-1529	1530-1619	1620-1709	1710-1799	1800-1889	1890-1979
mily of 4	629	630-719	720-809	810-899	900-989	990-1079	1080-1169	1170-1259	1260-1349	1350-1439	1440-1529	1530-1619	1620-1709	1710-1799	1800-1889	1890-1979	1980-2069
mily of 5	719	720-809	810-899	900-989	990-1079	1080-1169	1170-1259	1260-1349	1350-1439	1440-1529	1530-1619	1620-1709	1710-1799	1800-1889	1890-1979	1980-2069	2070-2159
mily of 6	809	810-899	900-989	990-1079	1080-1169	1170-1259	1260-1349	1350-1439	1440-1529	1530-1619	1620-1709	1710-1799	1800-1889	1890-1979	1980-2069	2070-2159	2160-2249
mily of 7	899	900-989	990-1079	1080-1169	1170-1259	1260-1349	1350-1439	1440-1529	1530-1619	1620-1709	1710-1799	1800-1889	1890-1979	1980-2069	2070-2159	2160-2249	2250-2339

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THE DAY CARE FORUM, INC.

610 West 112th Street
New York, New York 10025
Telephone: (212) 663-7200

ISSUES IN NEW YORK STATE CHILD CARE

Background Paper #2

February 1982

An Analysis of Families' Ability to Pay for Day Care Services and the Impact of Current New York State Fee Schedules on Family Income

Velmanette Montgomery
Antony Ward, Ph.D.
Co-Directors

John D'Emilio, Ph.D.
Research Associate

The Day Care Forum, Inc., is a non-profit, foundation-funded organization. Founded in 1978, it provides information, technical assistance, and training to child care advocates throughout New York State on issues of public policy that affect the provision of child care services. The following Background Paper is the second of a series that The Day Care Forum is issuing in the coming months.†

* * * * * * * * * * * * *

INTRODUCTION

At a time of fiscal crisis and severe cutbacks in federal programs, ways are being sought both to reduce costs and find new revenues for human and social services. For publicly subsidized day care programs, one area of consideration is the adoption of "user" fees for services—requiring, in other words, that working parents using subsidized day care pay a larger part of the cost of child care services. Such a policy requires the development of a standard to determine how much a family can afford to pay for child care.

The position of The Day Care Forum has always been that day care—like primary and secondary education—should be a service provided free of charge for all families who desire it for their children. Nevertheless, in the present political climate, the imposition of user fees seems inevitable. We have therefore developed a method of computing a family's ability to pay that can be used by child care advocates in evaluating fee schedules for publicly-subsidized day care.

SUMMARY AND HIGHLIGHTS

Our analysis of family income and current New York State Department of Social Services child care fee schedules reveals that:

- The New York State Department of Social Services child care fee schedule, put into effect on March 1, 1982, imposes fees on lower income families that seem beyond their ability to pay. For example, a single parent with two children earning $12,975 a year is required to pay $13 a week for day care for one child, even though, by our budget standards, the family has no marginal income available for day care whatsoever. Fees for care start at poverty level incomes.
- The DSS fee schedule imposes even more drastic burdens on lower income families with more than one child in care, or with two wage earners. For example, a family of three with two children in care earning $12,975 a year is required to pay $20 a week for day care, even though it has no marginal income available for day care. A family of four with two wage earners, earning $18,000 a year, is required to pay $34 a week for one child in care, even though it has no marginal income available for day care.
- By imposing such prohibitive fees on lower income families, the DSS fee schedule may have the effect of driving the lowest income families out of day care and thus directing public subsidy to the somewhat higher income families which have sufficient marginal income to pay the fees. In other words, public subsidy may be directed to the less needy by existing fee scales.
- Alternatively, the lowest income families, faced with the choice of higher fees-or no child care, may decide to pay the fees, but at the cost of depriving themselves and their children of basic necessities.
- The method of calculation used in this paper is based on the Bureau of Labor Statistics' "lower level" income standard, and therefore must be considered an absolute minimum guideline, since it may very well underestimate a family's essential living expenses.

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METHOD OF COMPUTING MARGINAL INCOME AVAILABLE TO PAY FOR DAY CARE SERVICES

We have derived our figures on the ability to pay for day care services as follows:

1. We define marginal income as all income above the Bureau of Labor Statistics lower level budget for New York–Northern New Jersey Metropolitan Area. Day care fees can only be paid out of marginal income.

2. Since families often face other emergencies or special needs beyond day care, it appears reasonable to expect that only a portion of marginal income can go toward day care. This analysis sets as a reasonable portion a figure between 45% and 50% of total marginal income.

3. Federal and state credits allow families to receive back between 24% and 36% of their child care expenses. Federal law allows a sliding tax credit of 30% for families with gross income of $10,000 or less, down to 20% for families with income over $28,000 up to a maximum of $2,400 in annual child care expenses. New York State provides a tax credit of 20% of the federal tax credit. Our computations suggest therefore that, as a general rule, if a family spends 70% of its marginal income on day care, the return from tax credits will reduce its contribution to the desired 45%-50% of marginal income.

Bureau of Labor Statistics Lower Level Budget

Our starting point for an analysis of a family's ability to pay for day care is the lower level budget of the Bureau of Labor Statistics. BLS provides data only for selected metropolitan areas, and so we have used figures for the New York City–Northern New Jersey Metropolitan Area. The latest BLS data, based on Autumn 1980 prices, indicates that for a family of four with one wage-earner, a gross annual income of $14,383 is necessary to maintain a "lower level" standard of living. The BLS budget breaks down as follows:

Family of Four, One Wage-Earner

Food	$ 4,851
Housing	1,982
Home furnishings & upkeep	633
Transportation	989
Clothing	832
Personal Care	362
Medical Care	1,321
All other Family Consumption	1,231
Total Family Consumption	11,881
Personal Income Tax	1,519
Social Security & Disability	913
Gross Annual Income	$14,383

There are obvious limitations in this budget's usefulness. First of all, many of its components represent an extremely conservative estimate of a family's expenses. For example:

- It provides only $484 per month for rent and utilities, a figure below prevailing housing costs in most parts of New York State;
- It provides only $7 per week for personal care for the entire family—for laundry, dry cleaning, haircuts, soap, shaving, cosmetics, etc.;
- It provides only $4 per week for transportation, after deducting the cost of a double fare to and from work for the head of the household; outside of New York City, where the cost of public transportation is higher, and where car ownership is often a necessity, the BLS allowance may even underestimate essential, work-related transportation expenses;
- It provides no cushion for emergencies.

Adjustment to BLS Figures for Housing Cost

We have therefore modified the BLS budget in one important area—housing—in order to have it more accurately reflect actual expenses. In place of the $1,892 yearly allowance for rent, we have substituted $3,667, the figure used by the Community Council of Greater New York in its 1980 survey of family budget costs in New York City. The new housing figure, which amounts to $306 a month, raises the BLS lower level budget to $15,528 for a family of four.

Even with this modification, however, we would emphasize that the figure on marginal income that we derive from the family budget standard must be viewed as a maximum. One could reasonably argue that essential family expenses will exceed the modified BLS estimation, thereby reducing a family's marginal income.

Adjustment for Additional Wage Earner

The BLS standard is based upon a household in which only one adult is a wage-earner. Budget analysts agree, however, that the presence of a second working adult significantly increases a family's necessary living expenses by adding extra costs for such items as transportation, clothing, food and personal care. Since a significant minority of the families who seek publicly-subsidized day care are households in which both parents work, it has seemed advisable to develop separate budget standards applicable to them. In doing so, we have relied upon the procedures developed by the New York City Human Resources Administration to determine eligibility for child welfare services. The latest HRA computation estimates that a second wage-earner in a four-person family adds approximately 20% to basic living expenses. When added to the modified BLS figure of $15,528, this results in a "lower level" budget of $18,633, for a family of four with two wage-earners.

Adjustment for Family Size

In estimating the living expenses of other family sizes, we have relied on the equivalence scales employed by the federal government for Title XX funds: 68% for a family of 2; 84% for a family of 3; 116% for a family of 5. Thus, lower-level budgets for families of different sizes, with one and two wage-earners, approximate the following:

	Family Size			
	2	*3*	*4*	*5*
One wage-earner	$10,559	$13,044	$15,528	$18,012
Two wage-earners		16,425	18,633	22,886

Result of Calculations

Table 1 on page 5 illustrates the results of these calculations. It indicates our estimation of weekly marginal income available for day care for families of different sizes, with both one and two wage-earners. The table is laid out in a form that allows easy comparison with the State DSS fee scale. The figures were derived as follows:

Gross Family Income — BLS Lower Level Budget =
Total Yearly Marginal Income.

Total Yearly Marginal Income x 70% =
Yearly Marginal Income Available for Day Care.

Yearly Marginal Income Available for Day Care ÷ 52 =
Weekly Marginal Income Available for Day Care.

It is worth emphasizing again that, because of the conservative nature of the BLS lower level budget, these figures must be viewed as representing an absolute maximum. One could argue that a more realistic estimate of family expenses would lead to lower marginal income figures, and therefore less income available for day care fees.

ANALYSIS OF NEW YORK STATE AND ALBANY COUNTY FEE SCALES

Effective in March 1982, the New York State Department of Social Services has set a new fee scale, based on family size and gross annual income, for publicly-subsidized day care. The State has also approved a separate fee scale, effective 1/1/82, solely for Albany County, as a demonstration project.

Although the new DSS fee scale applies statewide, its impact will be felt primarily in New York City. Local Social Service Districts have the authority to set their own income ceilings for eligibility and, outside New York City, these ceilings are generally set near the lower end of the weekly fee scale.

A comparison of our figures on the ability to pay for day care and the State's fee scale reveals certain obvious inequities. As Table Two indicates, the State fee scale imposes a severe—even impossible—financial burden upon three-person families near the lower end of the income scale.

- A family of three at poverty level—$7,070—is expected to pay $2 per week for child care.
- Families whose income ranges between $7,070 and $13,044 are expected to pay fees from $2 to $13 per week, even though they have *no marginal income whatsoever.*
- Families with income between $13,045 and $14,015 are expected to pay more than 100% of their marginal income.
- Families with income between $14,016 and $14,831 are expected to pay a percentage of their marginal income higher than the amount recommended in this paper.
- For a three-person family with two children in day care, the State's fees exceed total marginal income for families earning up to $14,831; the State fees exceeded the amount of marginal income available for child care for families earning up to $16,771.

This pattern—of setting fees for lower income families above the ability to pay—proved true for families of all sizes. The inequities are even more pronounced for families with two wage-earners, since the State does not take into account the additional expenses that are incurred when a second adult works.

An analysis of the fee scale currently in effect in Albany reveals even more serious inequities. Without exception, the income of families who are eligible for day care in Albany is below a level where even basic expenses can be met. In other words, fees ranging from $17 to $35 per week are being placed upon families with no marginal income at all. In some cases, payment of the required fees would push families *below* the poverty line.

SUMMARY AND CONCLUSION

This paper has presented a method for determining the ability of a family to pay for day care. Using BLS data, and taking into account family size and the number of wage earners in the family, it has derived figures that offer a conservative approximation of how much income a family needs to meet its basic living expenses. This paper has also presented an estimate of how much marginal income families have available to pay for day care.

A comparison of our figures with the current state fee scale reveals certain unmistakable patterns. Families of all sizes at the lower end of the income scale, families with more than one child in day care, and families with two wage-earners face fees that are beyond their ability to pay. In many cases, fees are set at a level that would require a family to deprive itself of basic needs in order to have the benefit of publicly-subsidized day care. In Albany County, where a demonstration fee scale is in effect, fees at all levels can only be considered prohibitive.

By setting fees for low income families above their ability to pay, the new state fee schedule will, in effect, either deprive low income families of subsidies for day care while channelling state subsidies toward higher income families, or force low income families to go without basic needs in order to be able to pay for day care.

Finally, the plan proposed by the New York City Human Resources Administration—to offset the revenue-loss from Title XX by raising fees above the state schedule—would only exacerbate the inequities described above. HRA has proposed that fees be increased above the state schedule by an average of $2 per week. But, as we have demonstrated, low income families already face fees beyond their ability to pay. Raising fees still further will make matters worse.

TABLES AND GRAPH

The tables and graph at the end of this report illustrate our findings. Table 1, **Weekly Marginal Income Available for Day Care**, presents our estimates of ability to pay, for families of different sizes and with one and two wage-earners, based upon our analysis of family needs. The table is in a form that allows easy comparison with the new state fee scale that is effective as of March 1982. Table 2, **Comparison of Family Marginal Income Available to Pay for Day Care with Current State and Albany County Fee Scales**, compares our estimates of marginal income with the state and Albany county fee scales, and calculates the difference between them, for a family of three with one wage-earner. The graph on the final page illustrates the figures in Table 2, to make clear the trends we observed.

TABLE ONE

WEEKLY MARGINAL INCOME AVAILABLE FOR DAY CARE

Gross Annual Income by Family Size and Number of Wage Earners

Weekly Marginal Income	*1 Wage Earner*				*2 Wage Earners*		
	2 Person	*3 Person*	*4 Person*	*5 Person*	*3 Person*	*4 Person*	*5 Perso*
$ 2.	$10,708.	$13,193.	$15,677.	$18,161.	$16,584.	$19,714.	$22,844.
3.	10,782.	13,267.	15,751.	18,235.	16,658.	19,788.	22,918.
5.	10,930.	13,416.	15,899.	18,383.	16,806.	19,936.	23,066.
7.	11,079.	13,564.	16,048.	18,532.	16,955.	20,085.	23,215.
9.	11,228.	13,713.	16,197.	18,681.	17,104.	20,234.	23,364.
11.	11,376.	13,861.	16,345.	18,829.	17,252.	20,382.	23,512.
13.	11,525.	14,010.	16,494.	18,978.	17,401.	20,531.	23,661.
15.	11,674.	14,159.	16,643.	19,127.	17,550.	20,680.	23,810.
17.	11,823.	14,308.	16,792.	19,276.	17,699.	20,829.	23,959.
19.	11,971.	14,456.	16,940.	19,424.	17,847.	20,977.	24,107.
22.	12,194.	14,679.	17,163.	19,643.	18,070.	21,200.	24,[illegible]0.
25.	12,418.	14,903.	17,387.	19,871.	18,294.	21,424.	24,554.
27.	12,564.	15,049.	17,533.	20,017.	18,440.	21,570.	24,700.
29.	12,713.	15,198.	17,682.	20,166.	18,589.	21,719.	24,849.
31.	12,862.	15,347.	17,831.	20,31[illegible]	18,738.	21,868.	24,998.
34.	13,083.	15,568.	18,052.	20,536.	18,959.	22,089.	25,219.
38.	13,381.	15,866.	18,350.	20,834.	19,257.	22,387.	25,517.
41.	13,603.	16,088.	18,572.	21,056.	19,479.	22,609.	25,739.
43.	13,752.	16,237.	18,721.	21,205.	19,628.	22,758.	25,888.
45.	13,901.	16,386.	18,870.	21,354.	19,777.	22,907.	26,037.

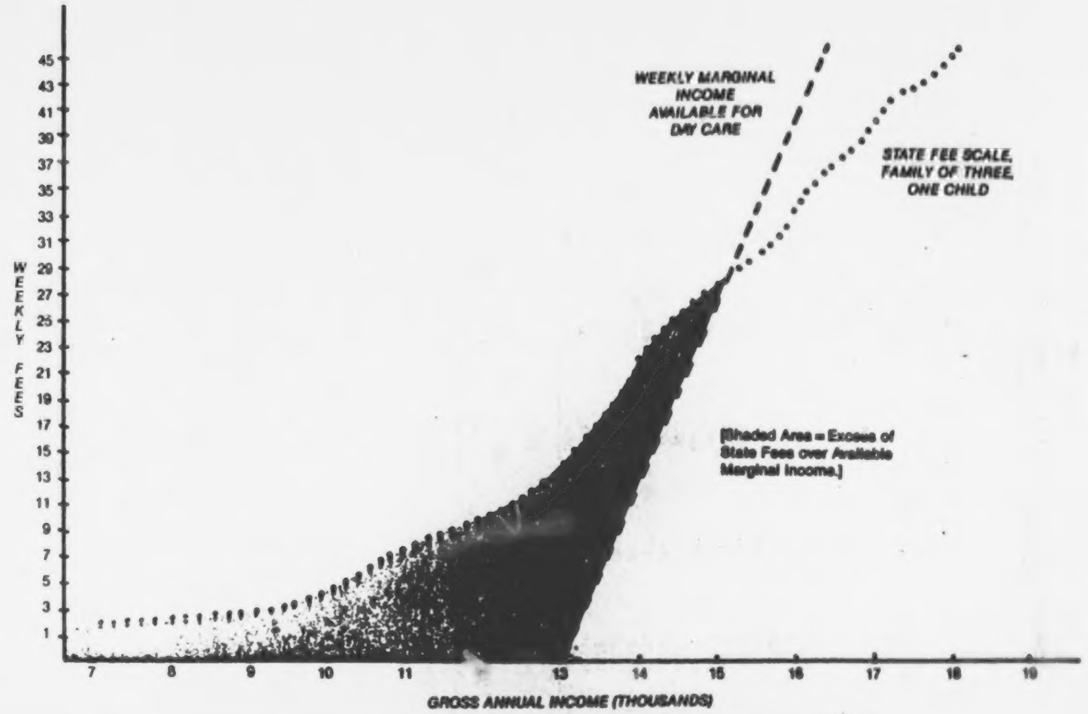
TABLE TWO

COMPARISON OF FAMILY MARGINAL INCOME AVAILABLE TO PAY FOR DAY CARE WITH CURRENT STATE AND ALBANY COUNTY FEE SCALES

A Gross Annual Family Income	B Total Marginal Income Available Above BLS Lower Level Budget	C Amount of Marginal Income Available to Pay for Child Care	D Amount of Child Care Costs Recoverable from State & Federal Tax Credits	E Net Cost of Child Care to Family (Column C - Column D)	F Weekly Amount of Marginal Income Available to Pay for Child Care (Column C Divided by 52)
7,777.	0	0	0	0	0
9,555.	0	0	0	0	0
10,255.	0	0	0	0	0
10,861.	0	0	0	0	0
11,711.	0	0	0	0	0
12,551.	0	0	0	0	0
12,976.	0	0	0	0	0
13,236.	192.	134.	46.	88.	3.
13,496.	452.	316.	107.	209.	6.
13,756.	712.	498.	168.	330.	10.
14,016.	972.	680.	218.	462.	13.
14,501.	1457.	1020.	326.	694.	20.
14,931.	1887.	1321.	423.	898.	25.
15,361.	2317.	1622.	519.	1103.	31.
15,791.	2747.	1923.	615.	1308.	37.
16,221.	3177.	2224.	688.	1536.	43.
16,741.	3697.	2588.	744.	1844.	50.
17,261.	4217.	2852.	744.	2108.	55.
17,781.	4737.	3112.	744.	2368.	60.
18,111.	5067.	3303.	720.	2583.	63.
18,771.	5727.	3588.	720.	2868.	69.

G New York State Weekly Fee Scale for 1 Child Effective 3/80	H* Weekly Excess of State Fee Scale Over Available Marginal Income (Column G - Column F)	I New York State Weekly Fee Scale for 2 Children	J* Weekly Excess of State Fee Over Available Marginal Income (Column I - Column F)	K Albany County Demonstration Project - Weekly Fee Scale, 1/80	L* Weekly Excess of Albany Fee Scale Over Available Marginal Income (Column K - Column F)
2	2	2	2	17	17
3	3	5	5	17	17
6	6	8	8	20	20
7	7	11	11	20	20
9	9	14	14	25	25
11	11	17	17		
13	13	20	20		
15	12	23	20		
17	11	26	20		
19	9	29	19		
22	9	33	20		
25	5	38	19		
27	2	41	16		
29	-2	44	13		
31	-6	47	10		
34	-9	51	8		
38	-12	57	7		
41	-14	62	7		
43	-17	65	5		
46	-18	68	5		
48	-21	68	-1		

*The "weekly excess" figures in columns H, J, and L at the lowest income levels, though technically accurate, tend to underestimate the burden of the state fee schedule, since the lowest income families need several thousand dollars more per year just to meet basic living expenses. Thus, a $5 excess near the top of the chart is more burdensome than a $5 excess near the bottom.



COMPARISON OF FAMILY MARGINAL INCOME AVAILABLE TO PAY FOR DAY CARE WITH CURRENT STATE FEE SCALES: FAMILY OF 3, ONE CHILD

A Proposal for Determining Parents' Fair Share of Child Care Costs

by Annice M. Probst, Pre-School Association of the West Side

Recommendation: Use the Child Care Assistance to subsidize that portion, if any, of the child care costs which are beyond a family's ability to pay, which varies with income, family size and total child care costs. This would target the assistance to the costs that present a real hardship for families.

Both the National Day Care Consumer Study and the Family Circle survey found that American families do not expect to get day care for free. What proportion of family income can parents devote to child care costs? Fortunately, there is some limited experience on which to draw.

Gwen Morgan, coordinator of the Wheelock College Seminars in Day Care Administration, and former director of the KLH day care center, compared State median incomes and day care fees in Title XX plans. From this, she derived the rule of thumb that on the average parents were required to pay 10% of their gross family income for child care of all their children.*

Roger Neugebauer surveyed 27 day care centers in 23 states, and found that the sliding scale of fees at these centers ranged from 9 to 12% of gross family incomes.**

Two New York City independent schools base their tuition on sliding scales, so that all parents, not simply the scholarship ones, are charged on the basis of ability to pay. Manhattan Country School has an estimated fee of 10% of family income; for net incomes of less than $5,000, the rate is 3%, and at $14,000 and above the rate is 13%.* At The Learning Community, families deduct $500 per family member from their gross income, and then pay 13½% of the balance as tuition.**

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* Address to the New York State Child Care Coordinating Council, Albany, NY, November 30, 1979.

** "Sliding Fee Scales," in Child Care Information Exchange, June 1979, pp. 27-33.

Let us try to consolidate these into principles for deciding how much families can afford to pay for child care and how much, if anything, their costs should be subsidised.

PRINCIPLES FOR SHARING CHILD CARE COSTS

1. As a rule of thumb, let us assume that the average American family can pay about 10% of its gross family income for child care for all children of the family. The excess of child care, if any, must be subsidized. As income rises, the need for subsidy diminishes, and conversely as income decreases the need for subsidy increases.

2. Let us say that the family with an Intermediate Living Budget, as estimated by the Bureau of Labor Statistics, can afford to pay 10% of its gross family income for child care.

3. Because fixed living costs take a larger proportion of a low income than of a high income, families earning less than the Intermediate Living Budget can afford less than 10% of their gross income for child care. Let us say that at the Lower Living Budget, the family can afford to pay only 5% of their gross income for child care, and below the Lower Living

* See "Tuition Reform at the Manhattan Country School: An innovative fee system based on ability to pay, developed in cooperation with The Ford Foundation," by Jane Southern, mimeographed, August, 1973. MCS enrolls children from ages 4 through 13, and the tuition covers the 10-month school year, 8:45 am to 3 pm.

** The Learning Community, at 1623 Third Avenue and 91st Street, enrolls children from age 3 up.

Budget, they need all of their income for living expenses and cannot afford to contribute to their child care costs.

4. Families above the Intermediate Living Budget can afford to pay larger proportions of their gross incomes for child care: let us say that families with a Higher Living Budget can afford to devote 15% of their gross income to their child care costs. With these higher gross incomes, 15% will almost always suffice to cover the full cost of child care at current rates. Families above the Higher Living Budget would not be considered for any child care subsidy.

5. Families with incomes in the intervals between these three Living Budgets could afford to pay percentages between 5% and 10%, and between 10% and 15%.

6. The three Living Budgets prepared annually by the US Bureau of Labor Statistics are computed for a family of four. To adjust for other family sizes, we would suggest applying the Family Size Scale that is used in Title XX:

Family of 2 - 68%
Family of 3 - 84%
Family of 4 - 100%
Family of 5 - 116%

7. A ceiling is needed for the maximum amount of child care cost to which the subsidy may be applied for an individual child. A dual-income family may employ a housekeeper at $125 to $250 per week, and send their pre-schooler to a part-time nursery school; their older child may go to sleepaway camp in the summer for $800 to $1,000 per month. Without a ceiling, such a family might request more aid than a divorced mother who

uses a day care center. To arrive at that ceiling figure, we can use the maximum cost per child currently expended by the New York City Agency for Child Development, plus the allowance for food from the US Department of Agriculture. (If a family must supply lunch for their child in day care, the cost of lunches should be included in arriving at their family's total child care costs eligible for subsidy.)

Application of these Principles for 1980 in New York City

1. In Spring 1979, the Bureau of Labor Statistics issued budget figurs based on Autumn 1978 costs for a family of four in the New York-Northeastern New Jersey area:

Lower Living Budget	$12,063
Intermediate Living Budget	21,587
Higher Living Budget	34,252

2. Applying the Family Size Scale to the budget for a family of four results in the following budgets for various family sizes:

No. in Family		Lower Living Budget	Intermediate Living Budget	Higher Living Budget
2	(68% of family of 4)	$8,203	$14,679	$23,291
3	(84%)	10,133	18,133	28,772
4	(100%)	12,063	21,587	34,252
5	(116%)	13,993	25,041	39,732

3. The current rates of reimbursement from ACD and USDA for various day care programs are as follows, as of July 1979:

Day care centers:

Full-time pre-school or school-age (summer)	$77.20/week
Part-time after-school	38.35/week

Family day care:

Full-time pre-school or school-age (summer)	$52.68/week
Part-time after-school	26.09/week

Since most non-funded programs and sitters charge less than these rates, many families will submit child care expenses at much less than these maximums. However, if the family uses one of the few infant care centers, which must have very high staff-child ratios, the maximum allowable should be $100/week.

4. Applying the current BLS budgets and Family Size Scale, and calculating the appropriate percentages of gross family incomes to be devoted to child care costs, we derive the following for different sized families.

Family of 2 Family Size Scale: 68%

% for Child Care	Annual Gross	Family's Contribution for Child Care Annual	Weekly
0%	Below 8,203	0	0
5%	8,203	410	8
6%	9,498	570	11
7%	10,793	756	14.50
8%	12,088	967	18.50
9%	13,383	1,204	23
10%	14,679	1,468	28
11%	16,401	1,804	34.50
12%	18,123	2,175	42
13%	19,845	2,580	50
14%	21,567	3,019	58
15%	23,291	3,494	67

Family of 3 Family Size Scale: 84%

% for Child Care	Annual Gross	Parent's Contribution for Child Care	
		Annual	Weekly
0%	Below 10,133	0	0
5%	10,133	507	9.75
6%	11,733	704	13.50
7%	13,333	933	18
8%	14,933	1195	23
9%	16,533	1488	28.50
10%	18,133	1813	35
11%	20,261	2229	43
12%	22,389	2687	51.50
13%	24,517	3187	61
14%	26,645	3730	72
15%	28,772	4316	83

Family of 4 Family Size Scale: 100%

% for Child Care	Annual Gross	Parent's Contribution for Child Care	
		Annual	Weekly
0%	Below 12,063	0	0
5%	12,063	603	11.50
6%	13,968	838	16
7%	15,873	1111	21
8%	17,778	1422	27
9%	19,683	1771	34
10%	21,587	2159	41.50
11%	24,120	2653	51
12%	26,653	3198	61.50
13%	29,186	3794	73
14%	31,719	4441	85
15%	34,252	5138	99

Method for Computing These Tables

These tables are based on the assumption that a family with an income at the Intermediate level can pay 10% of its gross income for child care, that a family at the Lower level can pay 5%, and the family at the Higher level can pay 15%. These tables show the gross income attached to each percentage point for families of various sizes and incomes. The five intervening percentage points between 5% and 10% are arrived at by:

a. Subtracting the Lower Budget figure from the Intermediate Budget figure;

b. Dividing the difference by five, for the five increments from 5% to 10%;

c. Adding one-fifth of the difference to the Lower Budget figure to arrive at the 6% figure, another one-fifth to arrive at the 7% figure, etc.

Similarly, these are five percentage points between 10% and 15%, and these are arrived at by subtracting the Intermediate Budget figure from the Higher Budget figure, then adding one-fifth of that difference to the Intermediate figure for 16%, another one-fifth for 17%, etc.

To calculate what a family's share of their annual child care costs should be, we would refer to the table for families of that size, locate the family's gross income on the table, and note the percentage share appropriate for incomes in that range. That percentage constitutes the family's share of their annual child care costs, subject to the ceiling on cost per child. Dividing their annual share by 52 would give the weekly share to be paid by the family.

Urban budgets, Family of Four, Autumn 1978

	Lower	Intermediate	Higher
Urban United States	11,546	18,622	27,420
New York - NE NJ	12,063	21,587	34,252
Boston, MA	12,051	22,117	33,596
Washington, DC	12,398	20,105	29,584
Chicago, IL	11,829	18,794	27,169
Los Angeles, CA	12,193	17,722	26,525
San Francisco, CA	12,710	19,427	28,719
Orlando, FL	10,582	16,334	23,926
Wichita, KA	11,574	17,783	25,783
Detroit, MI	11,596	19,145	28,172

Source: Bureau of Labor Statistics, release of April 29, 1979, "Autumn 1978 Urban Family Budgets and Comparative Indexes for Selected Urban Areas."

Urban budgets, Family of Four, Autumn 1979

Urban US	12,585	20,517	30,317
New York -NE NJ	12,949	23,856	37,823

Source: BLS release of April 30, 1980.

Urban budgets, Family of Four, Autumn 1980

Urban US	14,044	23,134	34,409
New York-NE New Jersey	14,393	26,749	42,736

Source: BLS release of May 5, 1981.

PAWS
PRE-SCHOOL ASSOCIATION, INC.
610 West 112th St. New York, N.Y. 10025
866-6226

DAY CARE FEES FOR MUNICIPAL EMPLOYEES

by Nancy Kolben, Director, Employers and Day Care Project

A center for municipal employees has a dual responsibility to enroll families at every income level who work for the city and to serve as a model for other employers. District Council 37 estimates that 40% of its members earn below $13,500, with another 20% earning between $13,500 and $17,000 and 20% between $17,000 and $20,000. This suggests the need to make a substantial number of slots available to lower paid workers at fees they can afford to pay.

There are two basic ways to design fees for a program. The most prevalent model in New York is to establish a single fee for all families regardless of family income. The other is to design a sliding fee scale that takes into account a parent's ability to pay. While a single fee is clearly easier to administer, it often means, because day care is expensive, that lower income families are excluded from the program. The result is economically segregated programs.

Many city employees are eligible for publicly-subsidized care. In fact, the Agency for Child Development (ACD) estimates that 2;500 of its subsidized parents are municipal employees. These families can not afford to purchase nonsubsidized center care. Without assistance, they will be excluded from the program.

We therefore recommend:

(1) that one-third of the available slots should be subsidized by the Agency for Child Development through a Limited Purchase of Service agreement;

(2) a sliding fee scale incorporating ACD's current fee schedule, but extended upward to cover the full range of incomes, should be established; and

(3) that the center and the sponsoring city agencies should work cooperatively to develop a scholarship fund to further decrease the out-of-pocket expenses for lower income families.

1. Subsidized Slots

We recommend that one-third of the available slots be funded by ACD. ACD has a system for contracting for such slots through its Limited Purchase of Service Program, set up in 1972 in large part through the efforts of Pre-School Association. We know that the number of funded slots throughout the child care system has declined because of attrition. We can cite specific examples of funded programs now serving fewer children. These slots have not been reassigned to existing day care programs.

2. The Fee Scale

The basic concept of a sliding scale of fees is that each person is charged for a service on the basis of ability to pay, and that no one should be denied the service for lack of funds. If an individual cannot afford to pay the full cost of a service, a subsidy is provided to cover the difference between what the individual can pay and the full cost. In many instances, this subsidy will be available from another source, such as government funds or private scholarship funds, and the sliding scale establishes the allocation of these subsidies.

Table I which follows present three fee options. Fees for each of the options are given as gross in Column A, the actual fee and as net cost taking into account the Federal and State Child Care Tax Credit in Column B.

Option 1. The sliding fee ranges from $2 per week to $110 per week. It assumes that the Agency for Child Development will subsidize slots for an agreed upon number of income eligible children. This is our preferred option.

Option 2. The sliding fee ranges from $40 to $110 per week. It assumes that no subsidies will be available for income eligible families. The lowest fee of $40 per week represents the minimum families would be likely to have to pay for babysitting in a neighbor's house. The $110 fee is close to the maximum charged for a high quality center for child care for children two to five years old. The upper limits will be extremely high for most parents.

Option 3. This is a single fee of $75 per week for all families.

TABLE I

FEE SCALE OPTIONS
FAMILY OF 4

	Option 1		Option 2		Option 3	
	Sliding Scale w/Subsidy		Sliding Scale w/out subsidy		No Sliding Scale	
	A	B	A	B	A	B
Gross Family Income	Fee	Net fee w/St. Fed. CCTC	Fee	Net fee w/St. Fed. CCTC	Fee	Net fee w/St. Fed. CCTC
under 10,000	2	1.40	40.00	25.60	75	58.20
10,000 - 12,000	5	3.20	43.90	28.90	75	58.80
12,001 - 14,000	9	6.00	47.80	32.20	75	59.40
14,001 - 16,000	19	13.00	51.70	36.70	75	60.00
16,001 - 18,000	34	23.20	55.60	41.20	75	60.60
18,001 - 20,000	45	31.80	59.50	45.70	75	61.40
20,001 - 22,000	50	36.80	63.40	50.20	75	61.80
22,001 - 24,000	55	43.40	67.30	54.70	75	62.40
24,001 - 26,000	60	48.00	71.20	59.20	75	63.00
26,001 - 28,000	65	53.60	75.10	63.70	75	63.60
28,001 - 30,000	70	59.20	79.00	68.20	75	64.20
30,001 - 32,000	75	64.20	82.90	72.10	75	64.20
32,001 - 34,000	80	69.20	86.80	76.00	75	64.20
34,001 - 36,000	85	74.20	90.70	79.90	75	64.20
36,001 - 38,000	90	79.20	94.60	83.80	75	64.20
38,001 - 40,000	95	84.20	98.50	87.70	75	64.20
40,001 - 42,000	100	89.20	102.40	91.60	75	64.20
42,001 - 44,000	105	94.20	106.30	95.50	75	64.20
above 44,000	110	99.20	110.00	99.20		

Table II. This table calculates the percentage of family income allocated for child care at the net fees indicated in each of three options in Table I.

TABLE II

NET FEES AS PERCENT OF GROSS FAMILY INCOME

Gross Family Income	Option 1 Sliding Scale w/Subsidy Percent of income	Option 2 Sliding Scale w/out Subsidy Percent	Option 3 No Sliding Scale Percent
under - 10,000	1	13	31
10,000 - 12,000	1	13	26
12,001 - 14,000	2	12	22
14,001 - 16,000	4	12	20
16,001 - 18,000	7	12	18
18,001 - 20,000	8	12	16
20,001 - 22,000	9	12	15
22,001 - 24,000	9	12	14
24,001 - 26,000	10	12	13
26,001 - 28,000	10	12	12
28,001 - 30,000	10	12	11
30,001 - 32,000	10	12	10
32,001 - 34,000	11	12	10
34,001 - 36,000	11	12	9
36,001 - 38,000	11	11	9
38,001 - 40,000	11	11	8
40,001 - 42,000	11	11	8
42,001 - 44,000	11	11	8

Both the Pre-School Association and The Day Care Forum have done substantial work in analyzing parents' ability to pay for child care.

We have looked at marginal incomes, which is the income available to families after taking into account basic expenses such as rent, food, clothes, taxes and medical expenses. We believe that the standard rule of thumb that assumes a family can spend 10% of its gross income on child care overstates the amount of marginal available to lower income families. We prefer an approach that assumes families at a higher income level can pay a higher percentage of their marginal income.

Table III indicates a breakdown of fees by number of parents slotted at each fee. It was designed to assure that parent fees and subsidies would meet the operating budget of the center. The income was calculated on an enrollment of 30 children.

TABLE III

INCOME FROM SLIDING FEE SCALE

Option 1 with 10 Subsidized Slots	Option 2 Fees with no Subsidized Slots
10 families ACD Subsidies	
700	
3 x 50 = 150	2 x 40 = 80
2 x 55 = 110	2 x 45 = 90
2 x 60 = 120	2 x 50 = 100
2 x 65 = 130	2 x 55 = 110
2 x 70 = 140	2 x 60 = 120
1 x 75 = 75	3 x 65 = 195
1 x 80 = 80	3 x 70 = 210
1 x 85 = 85	2 x 75 = 150
1 x 90 = 90	2 x 80 = 160
1 x 95 = 95	2 x 85 = 170
2 x 100 = 200	2 x 90 = 180
2 x 110 = 220	2 x 95 = 190
	2 x 100 = 200
	2 x 110 = 220
30 children 2,175 Weekly 108,750 Annual	30 children 2,145 Weekly 109,750 Annual

With Option 1, 23 families or two-thirds of the parents enrolled in the center would be charged fees of $70 per week or less. Without ACD funded slots to serve the needs of lower income working parents, these families would be effectively excluded. In Option 2 without the ACD subsidy, only 16 of the 30 families would be eligible for fees at $70 per week or less. In addition those families with incomes between $10-15,000 would be asked to pay more than 22% of their income for child care. A flat fee as indicated in Option 3 would place a heavy financial burden on all families with less than $25,000 in gross family income.

Given the substantial costs of the program to higher income families it is necessary to consider how to lessen the burden to these families as well. Several programs including the Children's Place in Albany, the center for state employees, have developed an interesting approach to this problem. They compute the actual cost of care plus the value of any contributed services to the center. Any amount paid above this total cost of care is considered a tax-deductible contribution to the center. The value to a family can best be understood by looking at a particular example. In order to compute the net cost, one must consider the value of the Child Care Tax Credit and the value of a charitable deduction in reducing the families total out-of-pocket expenses.

For example, if the fee is $110, and the actual cost of care is $80 per week which includes operating expenses plus the value of in-kind contribution to the center and the family it is assumed in the 40% tax bracket, then the actual out-of-pocket cost of the child care is $87.20 per week. In this example, the Child Care Tax Credit for this family is $10.80 per week. In addition, the difference between the fee of $110 and the cost of care of $80 is $30 per week. Since this is given as a charitable contribution, it reduces the out-of-pocket expense by $12.00 per week.

$110.00 fee payment
-10.80 Child Care Tax Credits
-12.00 value of deduction for contribution

$ 87.20 Net cost per week to family

Combining public subsidizes and maximum use of tax benefits, a sliding fee scale can be used to help equalize the relative burden on families in meeting their child care expenses. The center with experience may find it necessary to narrow the fee scale, in order to recruit families. The fees would then have to be subsidized by fund raising activities. As computed in this report, the income generated by fees is close to the operating expense of the center. Shortfalls due to changes in enrollment would have to be covered by over enrollment and fund raising.

3. Scholarship Funds

Regardless of the fees set, there will continue to be a need for scholarship funds. Some of these funds might be provided by the unions, others will need to be raised through contributions and other fund raising activities. We believe that fund raising should be the joint responsibility of the City, its unions and the parents using the center.

Summary

Fees reflect the operating philosophy of the center. Any schedule will need to be modified with experience as we learn more about which families want to use the center. The approach we are recommending represents a way to assure an appropriate economic mix of families using the center.

PREPARED STATEMENT OF AD HOC DAY CARE COALITION

The Ad Hoc Day Care Coalition is a group of representatives from a variety of advocacy groups, namely organizations which address the concerns of children, their families, and women in particular. All of the organizations share at least one common concern -- working toward the expansion of affordable quality day care services for families. To that end, we work cooperatively to develop strategies designed to expand existing child care programs as well as advocate new initiatives.

By signing on to this testimony, organizations do not restrict their priorities or limit their views regarding possible solutions in child care. Many of the groups listed below will submit testimony which will provide more specificity on organizational priorities and preferences.

This testimony is submitted on behalf of the following organizations:

American Psychological Association

Board of Church and Society of the United Methodist Church

Child Advocacy Working Group of the National Council of Churches

Children's Defense Fund
The Children's Foundation
Food Research Action Center

Local 205 Day Care Employees Union, District Council 1707 AFSCME

National Association for the Education of Young Children

National Association of Social Workers

National Black Child Development Institute

National Board, YWCA of the USA

National Child Abuse Coalition

National Institute for Women of Color

National Women's Law Center

National Women's Political Caucus

Parents Without Partners, Inc.

Project on Equal Education Rights of the NOW Legal Defense and Education Fund

Wider Opportunities for Women

Women's Equity Action League

– WOMEN'S LEGAL DEFENSE FUND

INTRODUCTION

The supply of child care lags so far behind the demand that more than one in six American children 13 years old and under, including many preschoolers, may be going without care. The need for infant care is steadily climbing as is the demand for after-school programs so that young children are not left waiting up to four hours a day in empty homes, in school yards, or on neighborhood streets while their parents work. The labor force participation rate of mothers with children has increased dramatically in the last forty years. Only 19 percent of women with children under age 18 were in the labor force in 1947; in contrast, 60 percent of these women were employed in 1982 -- a threefold increase in about 30 years. As more and more parents of young children work, child care needs will become an even greater problem.

- Almost 46 percent of mothers with children under age three are in the labor force.
- Almost 58 percent of mothers with children ages three to five are in the labor force.
- In 1983, 67 percent of all single mothers were in the work force; almost 19 percent of the nation's 58 million children live in single-parent families maintained by women.
- By 1990, at least half of all preschool children -- 11.5 million -- will have mothers in the labor force, as will about 60 percent -- 17.2 million -- of all school-age children.

Child care is important to many different families. Each year, 600,000 babies are born to teenage mothers. Without child care, these young mothers will find it nearly impossible to return to school and complete their education. There are approximately

300,000 disabled children under age six and 4.1 million disabled school-age children in this country whose parents need adequate child care so they can work to help meet their children's special needs. There are also over 1 million abused and neglected children in America who need child care to protect them from harm and to prevent either a recurrence of abuse or the need to separate them from their families.

The United States has always had a patchwork child care system to help meet the needs of lower-income families. Since 1981, it has been rapidly unraveling. In Fiscal Year (FY) 1982, the Title XX Social Services Block Grant, the largest source of direct support for child care, had its funding reduced from $3.1 billion to $2.4 billion, a 21-percent cut. The Child Care Food Program was cut by 30 percent. The amount of child care costs that families can be compensated for under the Aid to Families with Dependent Children (AFDC) program was limited.

Since 1981, 31 states have severely diminished child care support for mothers enrolled in training programs or stiffened eligibility criteria so that subsidized child care is no longer available or too costly for lower-income, working families. The results of the cutbacks in child care for women who are struggling to improve their family's situation, through employment or training, are painful. Children are being left alone or have been switched to less familiar, and often less supportive, child care arrangements. Older children often stay home from school to care for younger siblings.

Recognizing the integral relationship between child care and economic equality, it is important to support policies which reflect a commitment to the economic development and advancement of those women and minorities who, because of a lifetime of limited opportunities, are in a position of poverty or dependency.

Such policies promote employment opportunities, equitable treatment and pay, and a reasonable standard of living, thereby enabling them to afford quality child care without sacrificing other survival needs. Adequate child care services are critical to those parents who want and need to work and who want to provide the best care for their children while they are away from home. A national dependent care policy, coupled with appropriate economic equity and civil rights policy, would help millions of American families overcome barriers to their economic self-sufficiency.

Despite the current problems which exist in meeting the multi-faceted child care needs of families today, the need for care has been well substantiated, and the demand for quality child care is growing. Based on our recognition of the need for enhancing the availability of quality services which are affordable, and our understanding of some of the problems which exist for families in search of child care solutions, the following recommendations are submitted for your review and consideration:

Increase the Title XX Social Services Block Grant.

The direct services approach to funding child care is necessary to help lower-income families, with limited disposable income, purchase adequate child care. If working families are to receive help in meeting their child care expenses, a significant increase in funding for direct subsidies is required, which will allow states to raise the income eligibility for Title XX subsidized child care to benefit more working families.

The Title XX Social Services Block Grant is the largest federal source of direct support for child care. Its funding base has been severely eroded since it was first authorized at $2.5 billion in 1975. Almost ten years later, after a congressionally approved funding increase of $200 million in FY 1984, current funding stands at $2.7 billion. This is in contrast to $3.3 billion which would have been available if Title XX had not been cut in the Omnibus Budget Reconciliation Act. Since Title XX is a key source of funding for a range of essential social services, we would recommend a substantial increase in the Social Services Block Grant. Moreover, in the past, there has been an earmark for child care. The re-enactment of an earmark for child care should be pursued after funding for the program is increased sufficiently to more adequately address the social service needs of states and local communities.

Increase the $160 child care disregard for AFDC recipients; allow families their total $30 and 1/3 work incentive deduction before deducting child care expenses from the family earned income.

The AFDC program should continue to provide a disregard for child care expenses, as a means of funding the child care needs of AFDC recipients. The current limitation on the amount of the disregard -- $160 per month, per child, must be increased to reflect the current market cost of child care. This limitation, which was established with the Budget Reconciliation Act of 1981, would not pay for a month of quality center-based care in most communities throughout the country; the gap between the cost of center-based care and family day care is closing such that infant care in both settings costs as much as $100 a week in most urban communities today.

Under current law, the child care disregard is subtracted from a family's earned income before the $30 and 1/3 work-related disregard of the family's earnings. Because a family's child care expenses are subtracted from its earnings first, the size of the $30 and 1/3 disregard is lowered. This results in a loss of additional income which families would otherwise be able to apply to their basic needs -- heat, food, clothing.

Because the $160-a-month cap for the child care deduction oftentimes does not reflect the actual cost of care, a family must try to make up the difference if quality care is to be an option for the family. This, of course, forces families to choose between using out-of-pocket money for child care or other basic needs. In addition, under current law, states could set a lower monthly cap on child care expenses for part-time workers. However, many child care programs may require registration for a full day, week, or month, or may charge a set fee regardless of the number of hours the child is enrolled.

Also, even if child care expenses are lower because a child is enrolled less than full time, the reduction in cost may not be proportional to the reduction in the number of hours a child is in care. For these reasons, part-time workers should not be subjected to extensive or inflexible reductions in the amount of the monthly child care expense disregard.

Increase the Dependent Care Tax Credit's support for child care and usefulness in helping low-income families to meet their child care needs.

The Dependent Care Tax Credit (DCTC), which is our largest child care program and costs almost $2 billion, is available to families at all income levels and provides important support for child care. Yet, despite the introduction of a sliding scale which permits low-income families to receive a larger percentage of their care expenses than higher-income families, the DCTC is not as helpful as it should be to low-income families.

Even in the lowest income bracket, the credit amounts to only 30 percent of eligible child care expenses. The percentage declines for adjusted gross incomes above $10,000, down to 20 percent for adjusted gross incomes over $28,000. The percentages for low-income families should be raised. In addition, the credit should be made refundable so that families do not lose the full benefit offered by the credit merely because their low income causes their tax liability to be low or nonexistent.

For example, a woman who earns $10,000 a year and, in 1983, hired a caregiver for her two children at the cost of

$1,650 would be entitled to a $495 tax credit to help offset her 1983 tax liability of $583. In 1984, if the sliding scale were expanded to 50 percent for the lowest income category, she would be entitled to a $825 tax credit, an increase of $330. However, because her 1984 tax liability is only $553, she would lose $272 of her 1984 credit in the absence of refundability.

Other tax initiatives should also be examined which could provide targeted assistance to low-income, working families with children.

Establish a federal funding source for training and technical assistance for child care workers.

Training in early childhood education has been strongly associated with more positive and stimulating behavior on the part of caregivers, both in child care centers and in family day care homes. The National Day Care Study[1] demonstrates, through observations in several hundred classrooms, that in classes supervised by teachers who had "child-related education/training the children show more cooperation, attend longer to tasks and activities and are less often non-involved than is the case where teachers do not have such training. The children also do better on a measure of early achievement -- The Preschool Inventory."

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[1] Roupp, Richard et al. National Day Care Study. Washington, D.C.: U. S. Department of Health, Education and Welfare, 1978.

Similarly, Family Day Care in the United States[1], an exhaustive national study of day care homes, analyzed the effects of experience, education, and training on family day care providers. Caregivers "who had some child care training tend to display more teaching, language/information activity, music/dramatic play, and comforting."

Moreover, child care providers, along with parents, play a key role in teaching or discouraging racist, sexist, and biased actions and beliefs. Studies have repeatedly shown that even as early as ages 3 and 4, children begin to embrace negative attitudes toward females, minorities, and disabled people. Therefore, training that raises the awareness of child care providers and gives them the tools to change biased beliefs and behaviors can reduce -- even prevent -- the long-term distructiveness of prejudice, both within the children and within the larger society.

Training funds to improve the skills of child care providers are rapidly disappearing even though the need for training increases. The Title XX Training Program was totally eliminated by the Omnibus Budget Reconciliation Act of 1981. Federal funds for the Child Development Assessment and Credentialing Program were cut in half in 1982 and are slated to be completely phased out by 1985. Because of the cuts, CDA candidates will have to pay a substantially higher fee to be certified. Given the low salaries of child care workers, many will undoubtedly elect not to seek certification, diminishing their incentive to obtain training.

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[1] Fosberg, Steven. Family Day Care in the United States: Summary Of Findings, Vol. I., Final Report of the National Day Care Home Study. Washington, D.C. U.S. Department of Health and Human Services, September, 1981.

If we are to move to a quality child care system, federal funds must be made available for training caregivers in both centers and family day care homes.

Improve the Child Care Food Program which includes restoring the five meal pattern.

The Child Care Food Program (CCFP) is a very important child care program as it helps to defray the costs of meals provided to children while they are cared for in day care centers or family day care homes. Meals are served to over 1 million children, about 70 percent of whom are low-income. In FY 1982, the Child Care Food Program was cut by 30 percent, or nearly $130 million a year. Day care centers and family day care homes can now serve only two meals and one snack a day no matter how many hours the children are kept in care.

One of the most significant cuts affecting the availability of adequate food to children was the loss of both a meal and a snack. Since young children eat smaller amounts, snacks are important to their diet because they usually do not consume large quantities at a single sitting. The programs most affected by the reductions in meals are centers who care for children for 10 to 12 hours a day and who provide many children with the bulk, if not all, of the meals they receive each day. Many of the programs serve large numbers of children from working poor families who travel long distances to work. They have no choice but to leave their children in a child care setting for long periods of time.

Given the importance of good nutrition to the healthy development of young children, it is vital that the CCFP provide support for the meals and snacks that young children need during a long day.

Establish a funding source which would encourage communities to support Child Care Information and Referral Programs.

The patchwork child care system that has evolved in this country makes it difficult for parents to easily locate child care arrangements that suit their particular needs. Until recently, many telephone directories did not include a listing for child care. Family day care homes, which provide care for the majority of children, are not listed in the Yellow Pages. Families rely on friends, neighbors, and supermarket bulletin boards to locate care. Currently, there are only about 200 information and referral programs in 36 states and the District of Columbia. Over fifty of these programs are located in California, which offers considerable state funding targeted to information and referral programs.

Information and referral programs not only help parents sort through their community child care maze to find care, they also provide other valuable services which strengthen a community's child care system. Most importantly, information and referral programs can help to improve the quality of care, assisting parents in identifying what to look for in a good child care arrangement. This, in turn, creates a subtle pressure on providers to comply with the requests of better-educated consumers.

Many child care information and referral centers provide technical assistance to providers in a number of areas such as educational activities for children, planning nutritious meals and snacks, meeting state and local health and safety standards, as well as providing advice on how to obtain insurance. These programs can be of invaluable assistance in documenting the need for care by carefully compiling the requests that come in and matching them against the supply. A federally funded Information and Referral Program would be an important stimulus for communities to put this key child care service in place.

Federal funds should be available as seed money to begin or to expand information and referral programs which not only provide help to parents in finding child care, but also offer the essential services discussed above.

Provide funds to communities to establish school-age child care programs and enable low-income families to receive support necessary to afford these services.

Despite the fact that over 60 percent of the mothers of school-age children work outside the home, there is scant attention paid to the child care needs of children once they enter kindergarten. As many as five to ten million children may be left home in the early morning hours, return after school to darkened houses, or hang out in empty playgrounds. No one knows the exact figure because parents are hesitant to admit that they leave their children alone.

A survey conducted by a national magazine, which had ten thousand responses, found that the most common child care arrangements reported for six to thirteen year olds was "self care". Twenty-eight percent of the children in the survey were reported to be caring for themselves. Fifteen percent of the parents gave no response to the question on school-age care practices used.

Recent state surveys on the problem give further cause for alarm. A report prepared to provide background for possible school-age child care legislation in California estimates the numbers of latchkey children in California to be between 620,000 and 815,000. A New York State study points to a survey conducted in 1982-83 of parents of children attending New York City schools. Of the 63,674 families responding, 79 percent expressed a need for an after-school program for their children.

Very limited Title XX dollars are used for after-school care. The federal government can play an important role in helping to solve this national dilemma by providing incentive grants to schools and community agencies to establish after-school programs which include sliding fee scales which lower the cost of care to families with limited incomes.

Although almost 1,000 programs may now offer after-school child care, this comes nowhere near meeting the enormous need. After-school child care may also be a service primarily geared to middle-income families. Unless a subsidy is available, lower-income and lower middle-income families do not have the surplus money to pay the extra $15 to $40 a week for these programs.

Incorporate within existing child care programs increased assistance to meet the growing demand for and increased cost of infant care.

With more than forty percent of women with children under the age of one in the work force, the need for quality child care for infants has grown at an unprecedented rate. For many families throughout the country, locating quality care for infants that is both affordable and accessible is virtually impossible. Many parents are forced to make less than satisfactory arrangements for the care of their young children.

The cost of providing infant care is frequently prohibitive to working parents. Infant care in center-based programs may cost well over or up to $100 dollars per week. Family day care homes, which are frequently used to provide infant care, typically are not as expensive as center-based programs; however, the cost differential is closing. Frequently, family day care providers absorb the financial burden of providing care by undercharging parents and reducing the overall number of children in their homes to comply with state licensing requirements for the care of infants.

Programs that assist low-income families with their child care costs rarely provide additional funds for infant care. The costs associated with such care, however, are known to be significantly higher than the cost of caring for pre-schoolers.

Federal funding to help offset the high cost of infant care for low- and moderate-income working families is desperately needed. Parents, without the benefits of paid child care leave, are being forced to return to work soon after birth or adoption of a child, often before bonding is established.

Establish child care programs and support services for adolescent mothers.

Few supports are available to enable teenage mothers to return to school after the birth of a child and to provide them with parenting skills. In a nationwide study of 125 large cities in 1978, the most significant unmet needs for teenage mothers and their babies were facilities, funds and staff to provide for infant care. Child care is an essential service for teen mothers to be able to complete high school. Schools that do offer child care programs often limit support to the semester after delivery leaving mothers to cope with finding child care after only a few months.

There is no perfect model program for pregnant and parenting adolescents. Some school-based programs work well; some community and private programs are very effective, and some social service programs work well. The most important elements are the provision of comprehensive support services that are easily accessible, in the same building or near one another, in the teen's own community; competent, compassionate, and accessible personnel, and continuity of care are also important.

There is a definite need for a national program which will offer some direction and provide incentives to the states and/or local communities for programs which support adolescent mothers. Given the exceptionally high cost of infant care and the lack of resources generally available to these mothers, the development of a national, structured, coordinated initiative designed to maximize the use of existing service systems and child care provider networks is essential.

Target money to provide child care for low-income women attending job training programs, community colleges, vocational schools or institutions of higher education for the purpose of of securing employment.

With the rising number of single, female heads of household living in poverty, funding must be available for child care so women can secure training for jobs that provide a living wage for families. Short-sighted state and county rules, compounded by federal funding cutbacks, limit the child care currently available to mothers enrolled in job or training programs. Little recognition or support is given to mothers in need of child care who are seeking skills through educational institutions such as community and four-year colleges, vocational schools, and high schools.

The current provisions for child care in most employment training programs are either very loosely defined or not defined at all. In the Job Training Partnership Act Program (JTPA), all supportive services, including child care, come under a 15-percent cap of total program monies. This amount of money is insufficient to provide child care as well as other critical support services if significant numbers of women are to be served. WIN programs, which are supposed to provide job services to recipients of AFDC, frequently do not provide child care so that women, who comprise more than 90% of all adult AFDC recipients, cannot use this access to employment training.

For those women who are provided child care while in training, the end of the training program usually means the end of child care support. Unless they have been fortunate enough to find employment while still in training, there is a transition period when they must look for work without help in meeting their child care needs. When trainees do find a job, they must then be able to afford child care as well as other work related expenses before they receive their first paycheck. In order to maximize money spent on training, it is necessary to provide "transitional" child care services to bridge the gap between education/training and employment.

Target a federal funding source to provide direct support for the strengthening of family day care networks.

The majority of young children in paid care are cared for in family day care settings which are "invisible", meaning they are neither licensed nor registered -- often underground, unregulated and isolated from their profession and their community. This "invisible" status affects providers as well as children and their parents. Limited federal funding is targeted at strengthening the development of family day care networks, associations, and systems, all of which have been shown to have a significant impact on expanding and enhancing the profession and improving care for children.

Family day care providers' jobs can be tedious, taxing and low-paying. Two out of three center-based caregivers earn wages below the poverty level. Family day care providers earn even less -- 87 percent earn below the minimum wage, and 94 percent have earnings below the poverty level. Family day care organizations are exceedingly important because they not only reduce the isolation of caregivers but also increase the accessibility of family day care to families.

Family day care umbrella groups can provide training as well as a range of services including medical and dental screening, emergency care, nutritional assistance and referral to other community organizations. They can also provide relief to providers by arranging substitute care for children when providers are sick or on vacation, and companionship through training and field days. Umbrella groups have a significant impact on the quality of family day care.

The National Day Care Home Study[1] found that family day care "systems" promote quality care by maintaining enrollment levels that are desirable for caregivers and children, monitoring compliance with federal, state, and local regulations, providing training and technical assistance to caregivers and offering a vehicle for parent involvement. It also reported that providers from sponsored homes spend significantly more time interacting directly with children.

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[1] Fosberg, Steven. National Day Care Home Study. Washington, D.C.: U.S. Department of Health and Human Services, 1981.

The majority of Title XX funds are used for center-based care. Given the role that family day care plays in our child care system, it would be appropriate to target a separate federal funding source to further develop family day care networks, associations, and systems. In support of this recommendation the National Day Care Home Study[1] suggests that "the development and expansion of family day care systems be emphasized as one of the principal means of providing subsidized day care in a family day care setting."

Create a "Special Needs" Grant Program to fund demonstration projects designed to address the unique child care needs of targeted populations.

There are "special" child care needs which require focused attention. One could argue, and appropriately so, "every child has special needs" and "all child care needs are special". We know, however, that a critical service gap exists within existing child care systems for sick and disabled children, children at risk of abuse or neglect, and children who have special needs due to their bilingualism and/or unique living arrangements, such as children of Native Americans and migrant workers.

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[1] Fosberg, Steven. Op. cit., 1981.

One of the biggest service gaps in child care exists in the area of child care for sick children. Particularly for single parents, the fear of job loss, due to absenteeism necessary to care for sick children, is very great. There are few alternatives to parents, and those which are available are prohibitively expensive. The absence of data on specific solutions to the sick child care problem hinders the development of programs. According to the Albany Children's Center in Albany, California, 46.2 percent of all preschool-aged children were ill ten or more days during the research study year. This problem must be addressed through programming designed to meet the best interests of the child and the parent, as well as the employer's needs.

According to the National Institute for Handicapped Research, there are currently 243,087 children with disabling conditions. This includes children with emotional and physical impairments, as well as learning disabled, speech impaired, developmentally delayed and retarded children. These children, more often than not, require special services and equipment which increase the cost of quality child care services. Many of the parents of these children are caught in a "double bind" of needing to work extended or extra hours to offset the costs of special medical care as well as child care; yet parents cannot adjust their work schedule if the child care necessary to meet the special needs of their child(ren) is not available. Parents of school-age, disabled children also have difficulty locating affordable, suitable child care.

Child care has become an increasingly critical resource for families referred to child protective services for alleged abuse or neglect. It can also be used as a support service to children who may, for various reasons, be at risk of harmful treatment or removal from their home. A national survey, recently conducted by the American Humane Association, revealed a dramatic increase in the number of referrals for child protective services. These referrals were for families who experienced severe problems primarily due to economic instability or the loss of income.

The Association report, which involved persons in the child protective service system across the country, stated that the capacity to address the increased problems experienced by families has been diminished significantly; the availability of support services, including child care, has decreased with no gain in the availability of volunteer services. Child care services for children at risk of abuse or neglect become critical to preventing the break up of families and alleviating the need to place children in foster care.

We know a great deal about the basic developmental needs of children during the preschool years. Certain groups of families, however, such as Native Americans and migrant workers, have unique living arrangements and work situations which make it difficult for them to participate in conventional child care programs. Many family day care homes as well as center-based care facilities have been unable to accommodate the preferred child-rearing practices of such families or their erratic work schedules. Too often, migrant parents must choose between taking their child to the field with them as they work or returning the child to their original community.

It is apparent that many service and program gaps exist in the current child care market which require focused attention. A national child care policy initiative must include a mechanism which will assist and better enable providers to address the "special" child care needs of specific groups of children.

Establish a commission to study and make policy recommendations to support the development and implementation of personnel policies and practices that are sensitive to the needs of working families, including parental leave.

Alfred Kahn and Sheila Kamerman at the Columbia University School of Social Work in New York have conducted extensive, nation-wide research which highlights the paucity of resources available to parents with young children. Unlike 75 other countries, the United States provides no legal guarantee that a woman who is unable to work because of pregnancy or childbirth will receive paid or unpaid leave from employment for a specified period, protection of her job while she is on leave, and a cash benefit equal to all or a portion of her wages while on leave. Similarly, American parents have no guarantee of leave for periods when their newborn, newly adopted, or ill children require care.

An important step in helping to meet the growing need for child care is for the fedreal government to take the lead in developing three essential mehanisms: disability leave which is adequate to cover women during pregnancy and childbirth, adequate child care leave so that mothers or fathers may care for their newborn or newly adopted children, and adequate dependent sick leave so that mothers or fathers may care for ill children. Given the complexities of establishing such mechanisms, a commission would ensure that the fiscal and societal impact of any recommendations be adequately evaluated.

Other types of employer-provided assistance for child care should also be examined, to determine both their potential value and their limitations. Measures examined should include on-site care, voucher assistance, and salary reduction for child care expenses under employer cafeteria plans.

Establish a Demonstration Program for Pre-School Child Care Programs in Public Schools

Educators and elected officials are expressing growing interest in the possibility of the public schools serving younger children. Proposals that have been suggested or adopted include half-day programs for four year olds, full-day kindergarten programs, and kindergarten programs which include an after-school component. Schools represent an important resource for providing child care.

Demonstration programs could provide assistance in evaluating some of the critical issues which must be addressed if the public schools are to effectively serve young children. A demonstration program can provide assistance in evaluating these concerns. Key issues include: parental choice as well as the ability of schools to involve parents in various aspects of the program, the sensitivity of schools to diverse family structures and cultures, curriculum development, and credentials required for staff who will work with young children.

Furthermore, the significant impact of such a project on the existing child care system, child care providers, parents and their children require careful evaluation. For example, will half day pre-school programs and kindergarten programs which end early in the afternoon create another problem for parents who must then be concerned about arranging adequate care for the remainder of the day or evening?

Despite these areas of concern, if model programs representing a partnership between the federal government and state or local education authorities can address the needs and concerns of young children, their parents, the child care community and the schools, an important resource will be tapped to increase the availability of child care in local communities.

Establish a Federal Commission on Child Care Standards to review and evaluate the status of child care licensing and regulatory requirements and submit recommendations for state and/or local regulatory guidelines that meet the needs of children in various child care settings; the Commission will serve as a source of technical assistance to states and local governments to improve their regulatory policies.

State licensing standards vary widely not only in areas such as basic health and safety but also in staff-child ratios, caregiver qualifications and curriculum requirements. In many instances, standards appropriate to school-age care, part-time care, and night-time care are not in place. The cutback in federal dollars available to child care has forced many states to make choices between serving children and weakening licensing regulatory requirements by cutting back on staff assigned to these functions. The result has been to have more programs monitored by fewer staff. At the same time, there has been a considerable increase in the number of complaints logged with state and local licensing agencies.

The child care field is marked by a wide variation in state and local building and land-use codes, deed restrictions, and zoning regulations which often unnecessarily hinder the operation of both center- and family-based care. In order to expand the supply of quality care, it is imperative that an analysis of these various standards be conducted and that communities have available a source of assistance in efforts to improve regulations affecting child care at all levels.

The Commission should also study the issue of wages and benefits for child care providers. The Commission should examine the effect of the extremely low wages available to most of these workers on the quality of available child care. Indeed, improvement in wages and benefits may be discovered to be interconnected with improvements in caregiver qualifications and other standards.

As the dialogue on standards develops, the Commission may explore the possibility of providing incentive grants to enable states to revise their own guidelines to meet model child care regulations adopted by the Commission.

Establish a National Child Care Research Project for the purpose of initiating, collecting and maintaining policy relevant research and information.

While we know more today about the developmental needs of children than ever before, there is a dearth of knowledge and information critical to effectively planning and developing policy responses for child care at the national level. If policies are to be developed which will adequately meet the diverse child care needs of families -- single-parent families; low-income families; two-parent, working families; and migrant families -- it is critical to know what parents want for their children. Child-rearing practices and preferences must be considered in the planning of programs as well as the formulation of policies if they are to reflect the interest of and meet the needs of families.

It is also important to the policy-formulation process to know what works, what does not work, and why. Another key factor related to the provision of child care is the enactment and enforcement of licensing and regulatory requirements at the state and local levels. What is not known about the impact of existing regulatory policies on the development of children is alarming; what we do know justifies the need for a thorough evaluation of such policies.

In a time of limited resources it is important to invest dollars wisely. Research then becomes more critical to the policy making process in child care. Decision makers are increasingly seeking to develop sound policy based on data specific information which not only justifies needs, but also identifies the preferences of consumers.

Create an Office of Day Care within the Department of Health and Human Services that would administer federal child care initiatives, serve as a clearinghouse for child care related data and administer funds to support research and demonstration projects in child care.

The needs of families and communities, state and local governments, and businesses and industry, with respect to child care programs and policy, continue to grow and diversify at an unprecedented rate. Yet the lack of a centralized Office for Day Care within the federal government has made it exceedingly difficult to collect and disseminate information about the rapidly changing child care field. The absence of a national coordinating office for child care has severely hampered the ability of government and policy makers to establish and implement new program and policy directives for child care.

An Office for Day Care located within the Administration for Children, Youth and Families, and separate from Head Start, should coordinate child care activities at the national level. The Office would serve as a national information bank with the capacity to conduct research, create demonstration projects, and develop a national data base on the child care needs of families. Finally, the Office should administer federal initiatives that are necessary to encourage an effective and responsive child care system.

AMERICAN HOME ECONOMICS ASSOCIATION

2010 Massachusetts Avenue, N.W.
Washington, D.C. 20036-1028
202/862-8300

TESTIMONY
Select Committee on Children, Yout amilies
George Miller, California, Chairman
by
American Home Economics Association
2010 Massachusetts Avenue, N.W.
Washington, DC 20036-1028
202-862-8300
Dr. Joan R. McFadden
Executive Director

by

Dr. Judith Powell
Division Chairman
University of Wyoming, and
Chairman, Family Relations
Child Development Section
AHEA

Mrs. Naurine R. McCormick
Associate Dean
College of Home Economics
The Ohio State University
and Vice President, Public
Affairs, AHEA

The American Home Economics Association is an individual membership (501-c-3) non-profit organization of 32,000 professional home economists concerned with the well being of individuals and families. Our members share their expertise in such areas as family resource management and family well-being, human development and child care, safety in the home, management of time and energy, clothing and textiles, nutrition and health, housing and home equipment, home furnishing and interior design, food preparation, buymanship and storage and other subject areas that assist individuals and families to improve their level of living and their quality of life.

Representing all AHEA members and especially the 4000 members of the Family Relations Child Development Section of the American Home Economics Association, we want to file with the Select Committee on Children, Youth and Families a written statement supporting the need for affordable, quality day care available to working parents. The Coalition of Family Organizations (COFO) has already provided oral testimony and it is our intent to reinforce that testimony with this written statement.

1985 AHEA Annual Meeting & Exposition
June 24-27 • Philadelphia, Pennsylvania

According to a Wednesday, July 25, 1984, article in the Columbus Dispatch, Columbus, Ohio, "one parent families occupy only a small percentage of American households, but they are growing so fast that our social institutions may never catch up. Since 1970 the total number of all households has increased by 32 percent but single parent families have jumped 102 percent. However, the single parent units still make up only 8% of all American households...We expect to have 8 million of them by 1990." Additional statistics include: "About nine out of ten single parents are women...Approximately one out of every five children under 18 years old (12.5 million) now live with their mothers alone...Nearly 3 million of these children are under age 6...Among single parent women, half of them have one child, but a surprising 21% have three or more.

"Most single parents are employed or are looking for work. More than 84% of the single mothers with children ages 6 to 17 years are in the labor force, as are 69% of those with younger children.

"The median family cash income of single-parent families headed by women, as reported by the Census Bureau last year, is only $9,000 a year. What we don't know is how often other relatives buy the kids clothes, pay the rent, pick up some groceries, or otherwise help out." From American Demographics, Inc., Copyright, 1984, by Peter Francese, The Register and Tribune Syndicate.

These working single parents continue to be pressed to find quality, affordable day care for their children while they are working to support both themselves and their children. Day care for this group must be subsidized, licensed and monitored in order to assure a safe and wholesome environment. With half of all mothers (and three fourths of the mothers who have children ages 7 to 17) projected to be in the labor force by 1990, this is an expanding problem.

Many employers are looking favorably toward increasing the role of the employer in making day care available to their employees. Some employers are offering day care as a choice to employees in their fringe benefit package either by offering vouchers for day care costs or by operating a quality care center themselves.

Government support provides some assistance through such programs as dependent care tax credits, AFDC earned income disregards for child care, the Work Incentive (WIN) Programs, restoration of funds to Title XX, and the child care food progams of the USDA which are essential to day care centers. USDA is the second largest source of funds for day care through its food programs. Many centers would be unable to meet budget without this support.

More than 2,000,000 people, mostly women, earn their living working full time caring for children and thousands more supplement the family income caring for children on a part time basis. Job conditions are in many cases characterized by low status and low pay resulting in a high rate of turnover and burn-out. Recent studies in Illinois and California show that between 1975 and 1982, there was an actual decrease in purchasing power for the dollars earned by day care workers.

It is extremely important that day care centers be operated by individuals trained in working with children. There should be funding for training and technical assistance for all child care givers. Minimum mandated training should be designed to be both appropriate and accessible. Training will raise the level of knowledge and expertise in the child care profession. In addition, it is essential that salaries for child care workers should reflect that training.

Individual training in parenting skills for single parents often results in a reduction of the stress level for these parents and an increase in their parenting self confidence. Providing parenting information can improve the home situation for both parents and their children. Reaching single parents with relevant information must often be accomplished through innovative communication techniques designed for adults.

The American Home Economics Association commends Congressman Miller of California for his forward-looking concern for the problems of working parents and especially single parents. We assert to the Select Committee on Children, Youth and Families that providing affordable, quality care to single parents will benefit our children now and in the future. Overcrowding in non-licensed day care facilities, placing young children in a self-care environment in settings beset with personal risks and/or condoning child care alternatives that are substandard will contribute to individual problems for parents and their children resulting in problems for families including diminished health, diminished psychological stability and reduced productivity in the work setting.

Government assistance to assure quality child care environment for the children of working parents, especially single parents, will require licensing of the care facilities and personnel, training of the care givers and their employees and continuous monitoring of day care services. The American Home Economics Association through its members supports these efforts and encourages the Federal Government to involve itself in the assurance of quality child care.

Thank you.

American Nurses' Association, Inc.
2420 Pershing Road, Kansas City, Missouri 64108
(816) 474-5720

Washington Office:
1101 14th Street, N.W.
Suite 200
Washington, D.C. 20005
(202) 789-1800

Eunice R. Cole, R.N.
President

Judith A. Ryan, Ph.D., R.N.
Executive Director

JUL 26 1984

July 25, 1984

Representative George Miller
U.S. House of Representatives
Select Committee on Children, Youth
and Families
Room H2-385 House Office Building
Annex 2
Washington, D.C. 20515

Dear Mr. Miller:

The American Nurses' Association is very much in support of the child care activities of the Select Committee on Children, Youth, and Families. We share the concerns of the Select Committee both as working women and as providers of essential health services to families, young and old.

Nurses have long felt the need for safe and nuturing child care programs in our country. As the under six population grows, the demand for services will be intense. We are concerned that standards for child care programs in all our 50 states safeguard the health and safety of our children.

The effectiveness of preventive services provided by community health nurses, nurse-midwives and nurse practitioners has been proven by scientific studies. One of our major priorities is to assure access to quality health care services especially for vulnerable populations such as pregnant women, children, the disadvantaged and the aged. Yet priority has not been given to these effective essential services.

Enclosed please find the publication, "Nursing Care Models for Adolescent Families" for inclusion as written testimony to the Select Committee. It includes many examples of how nurses, working with communities, are providing effective services to this particular population.

We look forward to working with you in the future.

Sincerely,

Eunice R. Cole

Eunice R. Cole
President

EC:pj

Enclosure

3. A successful childbirth experience, as defined by the participants themselves, can contribute to an adolescent's sense of self-worth and thus can prepare the adolescent to cope better with future change. If the coach feels "I really did help" and mom feels an active participant in birthing, our personal experience suggests that the experience contributes to the adolescent's maturation. This concept needs to be tested in formally designed research.
4. Adolescents and older expectant parents can participate together successfully in childbirth education classes if the nurse childbirth educator conveys her acceptance of each class member, whether adolescent or adult, as a valuable member of the group.

Watching the development of a supportive, caring group from a collection of couples is a rewarding experience for a childbirth educator. When adolescent couples hear others inquire with concern about one absent couple, they perceive that others care for them. The whole group is interested when any couple has its baby and concerned when a mother is absent because of illness. For some adolescents, the childbirth class may be the primary support group during the last trimester of pregnancy.

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Caring for the Alienated Adolescent Mother

Linda Grimm Jennings, M.Ed., M.S.N., R.N.

Since the spring of 1970, Bridge Over Troubled Waters (The Bridge, Inc.) has provided an increasing range of essential services to runaway children, troubled and wandering adolescents, and young adults who frequent the streets of Boston and the surrounding areas. With a program emphasis on outreach to a youthful, alienated population (unwilling or unable to seek help from traditional sources), Bridge takes services to the places the adolescents frequent. A team of street workers backed by a free medical van (staffed by volunteer nurses and physicians) is the linchpin of Bridge's outreach effort. The care and concern they show to the alienated youth frequently lead to the establishment of a trusting relationship and eventual referral to the agency's office, where trained staff are ready to meet the vital needs—food, shelter, and housing—and later to provide family, drug, and alcohol counseling and counseling around individual personal issues. A free dental clinic, a high school equivalency tutoring program, and job and career counseling are available as well. Perhaps most importantly, the agency's drop-in area offers a place to come in out of the cold or the heat, have coffee or soup, and find warmth and acceptance. All of Bridge's services have evolved as the needs became apparent.

Beginning in 1975, a noticeable increase in the number of pregnant adolescents and young mothers with infants and toddlers frequenting the drop-in area prompted Bridge to design a program to meet the overwhelming emotional and physical survival needs of this group. At that time, no single agency in the metropolitan Boston area was prepared to handle the health advocacy, health education, parenting education, counseling, and other special needs of these young mothers.

Over a 10-month period, the planning staff developed a comprehensive program plan for this group of young women and their children. Two demonstration proposals were prepared, submitted, and favorably received. In January 1979, the Bridge Family Life Center (formerly known as the Home Front Project) opened. The Bridge Family Life Center, two large, bright, and airy apartments, conveyed a feeling of comfort, home (in the positive sense), refuge, and a place to relax. A large living, dining area with a kitchen stocked with juice, soups, cheese, peanut butter, bread, and baby food was provided. The child care area was equipped with toys, arts and crafts materials, a slide, and a climbing gym. A second room had cribs and cots for napping. The remainder of the space was given over to offices and counseling rooms.

The program was designed with four major service components. Each staff member was recognized as an important contributor to the overall program goal of assisting the young mother in achieving a stable, healthy life-style that would enable her to nurture her child and to continue her own growth.

Client Profile

Before describing the four service components, a profile of Nancy, a composite client, will help the reader envision the clients served. Nancy came to Bridge at age 18 with her six-month-old daughter, Debbie. Her older child, a two-year-old boy, Michael, had been placed in foster care by the state department of social services two months before Debbie's birth. The reason for the removal was lack of a permanent address. Nancy had been evicted by her landlord for lack of rent payment.

Nancy came to Bridge desperate and in a similar situation. The friends she had been living with for the past four months were leaving for California and she had no place to stay. Nancy had run away from an abusive home situation when she was 14. She had been both physically and sexually abused by her mother's alcoholic boyfriend. She had dropped out of school at the beginning of the 10th grade.

For a time, Nancy lived with an aunt and then with a foster family, but since age 15, she had lived on the streets of Boston and Cambridge. Contact with family members was sporadic, but she maintained a fairly good relationship with an older sister. Nancy supported herself by panhandling, dealing in drugs (Michael's father, with whom she had lived for a year, was a drug dealer), and, occasionally, prostitution. At the time she came to Bridge, she was receiving welfare assistance, which she would lose without a permanent address.

Nancy was generally healthy, and the delivery of both of her full-term infants was normal, although birth weights were low (five and one-half pounds and six pounds). Nancy had had pneumonia and two diagnosed cases of gonorrhea, and at the time of contact, she was feeling constantly tired. She also had a history of one spontaneous abortion and one induced abortion. Nancy had not used any contraceptives since Debbie's birth because she had not returned to the clinic for her six-week postpartal checkup.

Socially, Nancy lacked any kind of supportive network to provide occasional relief from the responsibilities of parenthood. The fathers of both children had left the city, and her friends' lives were just as chaotic as hers. Debbie, at six months, was a quiet, serious baby weighing 14 pounds. She appeared clean and fairly well nourished, although her bottle contained artificially flavored fruit drink.

Linda Grimm Jennings is a resident of Arlington, Massachusetts. She thanks Margaret Saltonstall, M.A., for assisting her in the preparation of this paper.

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Service Components

The service components of the Family Life Center follow.

1. *Life skills education, counseling advocacy.* This component is staffed by an energetic individual well acquainted with the vast number of private and public social service agencies in the Boston area. She is supported by a cadre of volunteers who may do some of the footwork needed, such as assisting a client in apartment hunting. The objectives of this component are—
   a. to teach life skills, on a flexible basis of need, in vocational educational preparation, household management, and welfare consumer issues.
   b. to assist the parents in arranging suitable day care in approved day care centers as needed, especially for mothers attending school or obtaining employment.
   c. to provide an advocacy system for the client in the areas of housing and welfare assistance.

   Objectives are met through individual or group sessions. The component coordinator conducts a weekly group, which may focus on budgeting, meal planning, common household repairs, or self-defense.
2. *Child care.* Changes in funds available have altered this component over the past four years. Initially, there was a full-time staff person, educated and experienced in day care, and an assistant working part time. When the demonstration grants ended and other funding became unavailable, the volunteers became staff. Volunteers were recruited from an area college noted for its early childhood education program. New funding was obtained within the past year, and a full-time, qualified individual was hired. Despite the changes in personnel, the objectives of the child care area have remained quite consistent. They are—
   a. to provide respite and enrichment care for the children whose mothers are participating on site in other Family Life or Bridge activities, such as Bridge's general equivalency degree program.
   b. to model effective ways of responding and playing with children. (As the staff became better acquainted with the people they worked with, it became evident that, for the most part, these women, lacking the experience of a typical childhood, did not know how to play with their children. Through staff role modeling play with the child, and the mother and child together, these mothers came to know some of the enjoyable parts of being a parent.)
   c. to work with other staff in identifying high-risk parents. (To assist in this identification, the author developed a parent assessment checklist and provided inservice education to the staff so that they would know more fully what they were observing. Parents identified as being at risk from neglect or abuse usually received close attention and increased intervention at the center, and/or they were referred to other agencies.)
3. *Counseling.* Funding has limited activities of this component. In the first year-and-a-half, the staff was composed of a peer counselor and a full-time counselor (master's-level preparation). The peer counselor was a mother and a former Bridge client. She had the main responsibility for being present in the drop-in area to aid the clients in the development of trust and to assist them in defining their needs. With funding cutbacks, this component is staffed currently by the master's-prepared counselor. The objectives of the component are—
   a. to provide counseling on an individual basis.
   b. to organize and lead group discussions on such topics as incest, parents of children in foster care, and rape.
   c. to maintain biweekly contact with all active clients.
   d. to ensure ongoing, effective operation of the case management system. (Each staff member is responsible for a number of clients. Service plans articulating the needs of the clients and how they will be met are developed and evaluated mutually by the client and the staff member responsible.)

In developing the program, one service was not foreseen. As clients entered the program through self-referral or through other agencies, it was striking to note the number of mothers who had children in foster care. Examination of the statistics for the first year of operation revealed that 40 percent of the 86 children the mothers had borne before entry into the program were in foster care or adoptive homes. In most cases, they had been removed by the state rather than voluntarily surrendered by the mother. For a variety of reasons—for instance, lack of staff or lack of concern—the public and private agencies involved frequently were not providing adequate education of mother and child or adequate services to assist the mother in regaining her child if she so desired. Many mothers wished to regain custody. Out of this situation, the Family Life Center became a visitation site for the mothers and children through arrangements made with a referring agency.

The family life staff monitors the visits, providing the mother and child a milieu that is relaxed and conducive to a better assessment of the relationship between the two. The staff involved in the visits write observational reports, which are available to the agency and to the courts. Inservice education was provided to teach the staff how to write reports and how to present data in a court of law. The counselor at the center is responsible for the coordination of this service.

4. *Health education.* For the first two years, this component was staffed by a pediatrician with expertise in adolescent development and by the author, both on a part-time basis. Funding cutbacks coincided with the author's resignation for maternity leave, and monies have not been available to fund the position again. The salary for the physician was also reduced. Current parent and health education and advocacy are carried out by a volunteer registered nurse. The objectives are still pertinent and are—
   a. to advocate for the pregnant woman, mother, and child in the health care system, enabling them to receive adequate, ongoing health care.
   b. to provide the mother with information about her body, health, contraception, and nutrition.
   c. to provide the mother with information about the developmental, emotional, and nutritional needs of her children.
   d. to explore with the mother the feelings (good or bad) of being a parent, the stresses inherent in the role, and ways of coping with them.
   e. to assist the pregnant woman in preparing for childbirth and motherhood through education and support of individual counseling.

   A guide was written by the author to assess the pregnant woman's ability to "take on the pregnancy" and to validate behaviors that indicated a potential for maladaptation to mothering. This tool was used by all staff members.

Early in the program, it was found that health advocacy was of minor importance. Despite the chaotic life-style (frequent changes in residence and living from crisis to crisis), a majority (80 percent) of the children had been to most, if not all, of their well-child appointments and at the same agency they had attended since birth. Health care was not as regular for the mothers. Reasons varied from not having enough money for transportation to not having enough energy left to take care of oneself (an implicitly, but not explicitly stated reason). From other observed

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behaviors, it appeared that these mothers wanted to be good mothers and, although many of them lacked the ability to nurture and stimulate their children in appropriate ways, they tried very hard to follow through on the more tangible ways of caring for a child, and regular health care was one of those ways.

The rate of contraceptive usage was 50 percent. Groups (meeting usually on a bimonthly basis and led by the author) discussed contraceptive methods, and experiences in and feelings about the use of contraceptives. One effect of these groups was that the clients felt more comfortable about contraception as well as sexuality, and became more open about a problem they might be having with their method of contraception. They began to try harder rather than give up and risk pregnancy.

The pregnant adolescent women required health advocacy most consistently. A contractual relationship between Brigham and Women's Hospital's obstetrical and gynecological clinics and Bridge was established with an open, working communication system operating between that staff and the author. Of the 15 pregnant young women who came to Bridge during the spring and summer of 1979 (this was the largest group of pregnant women at any one time from 1979 to the present), 12, with an average gestational period of 20 weeks, were not involved in prenatal care. The author arranged for the health care and accompanied each to her initial prenatal visit and subsequent ones as needed. Once these young women got into the health care system and were able to feel at ease, they kept regular appointments.

Because of the previous negative educational experiences shared by nearly all the clients, education in life skills and health was low-key and informal. Sessions took place in a circle of large, comfortable chairs and a couch. Mothers were encouraged to participate, sharing their experiences and knowledge. This not only helped them to feel valued but also enabled the leaders to gain more information about individual mothers that could be used to construct comprehensive assessment and service plans.

Defensiveness on the part of the mothers—"I am a good mother, and I don't need to know any more about being a parent"—was one of the more difficult issues the nurse educator faced. It was met, in part, by being as positive as possible regarding a mother's parenting ability, by empathizing with the difficult nature of the task of rearing a child alone. (The presence of fathers or any other supportive adult was negligible in almost all situations.) The author and the co-leader of the parent group (a physician and mother) shared with the mothers what they themselves had had to learn in caring for their own children. The most important approach in coping with the defensiveness was the building of a trusting relationship. The leaders were mandated by law to report cases of child neglect or abuse, but that was not the purpose of the program. The purpose of the Family Life Center was to have mother and staff work together to keep mother with child if that was the mother's choice. Keeping together meant a positive working together, a relationship in which both mother and child grew. Out of this openness with the law and the purpose of the program came a feeling of mutual trust that staff and mother would work hard together to achieve the mother's goal for both herself and her child.

Although the curriculum for both the personal and the parenting content was sequential, the sequence was not always followed. The first few minutes were given over to a mother's discussion of her last week's life with her child or children. The content of the previous week's session was reviewed to benefit newcomers and to reinforce content. An evaluation of suggestions offered was gone over. Role playing proved to be easily accepted, and the mothers got to be the toddler who was hearing, "Don't get into that."

Clients, used to television, found black-and-white films on child development awful and boring, and the staff found films more recently produced too full of advertising (mostly subtle) and geared to the white, middle-class, married suburban home owner. Utilizing the infants and children to demonstrate aspects of development seemed to be a more useful teaching approach. The mothers enjoyed having their children be the focus of attention, and they not only learned more about their own children indirectly but also learned about the variations in development in any one age group.

Measuring achievement in programs such as this is difficult. Often, the achievement is slow. Ground gained is accompanied by ground lost. The previously mentioned parent assessment tool helped evaluate the change in parenting ability in the young mothers. Within the first year of the Family Life Center's existence, two mothers, after long involvement with other social service agencies, could say to staff that they did not want to be mothers and relinquished their children. The staff decided it was a measure of the success of the program that a mother could feel safe in acknowledging her lack of desire to mother at this time in her life. Counselors worked with both women to help them overcome their guilt and resolve their lives to some degree.

Of 80 clients seen on a regular basis during a two-year period, 64 have become less alienated. They have returned to the mainstream of society. They are living in stable situations. Seven are employed, 19 have completed high school, and 13 are still working at completion. Ten of the mothers are no longer involved with the department of social services and have their children with them full time. Thirty of these 80 were "crisis attenders," coming in only when a crisis occurred, e.g., "no diapers" or "beaten by boyfriend." These young women exhibited the characteristics of alienation most strongly. They had weak or nonexistent ties with the world of family, school, and work. Their previous contacts with other agencies left them distrusting and angry at any form of authority. Gradually, trust was established and these 30 women have learned to cope more effectively with their life situations; they use the services of Bridge with less frequency, but with more of a "working with" relationship.

Implications for Nursing

For the author, the experience of assisting with the planning (including recommending that a nurse be included on the staff) and then being a part of program implementation was stimulating and exciting. The role evolved as the clientele and their needs became better known. Maintaining flexibility and having the ability to evaluate and re-evaluate one's approaches were essential. Very little is available in the literature regarding this particular population of adolescents. These young women were different in their life-styles, past life experiences, and personalities from adolescent pregnant women and mothers this author had worked with previously in various ambulatory health care settings. The periods of testing before establishment of trust were often longer; the defensiveness was greater; the depression seen in almost all the women was more tangible.

Since new and novel approaches had to be tried, problem solving was a daily occurrence and usually occurred with at least one other staff person.

This project demonstrated that a nurse could function effectively and with purpose in a non-traditional setting. The role of staff educator was the largest one played. Educating the staff was important for two reasons. First, the nursing position was a part-time position (of the eleven original staff positions, six were part time because of funding), making it difficult to get to know or work with all the clients. Other staff needed to identify potential or actual problems in parenting, to know normal child development, to know what foods infants should be fed, and when. After having this information, a staff member knew better when a referral to the nurse or physician was needed. ■

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The American Humane Association
Preventing cruelty to children and animals since 1877

P. O. Box 1266
Denver, Colorado 80201-1266
303 695 0811

AMERICAN HUMANE

AUG 1

August 2, 1984

Honorable George Miller, Chairman
Select Committee on Children,
Youth, and Families
Room H2-385 House Office Building
Annex 2
Washington, D. C. 20515

Re: Child Care as Prevention
of Child Abuse and Neglect

Dear Chairman Miller:

On behalf of The American Humane Association (AHA), I have enclosed a copy of a recently released study, Highlights of Official Child Neglect and Abuse Reporting 1982. Based on results of this study and other AHA work, we strongly support your efforts to improve child care services, particularly for low-income families.

The AHA, with national headquarters in Denver, Colorado, is a private, non-profit organization concerned with the protection of children and the prevention of child maltreatment for over 100 years.

As you conclude your hearings regarding child care services in the United States, we believe that it is important to draw your attention to some disturbing trends indicated by our recent studies.

The data we have collected over the years through the National Study on Child Neglect and Abuse Reporting, in combination with our training, education and consultation experience with child protective service agencies nationwide, point to a disturbing reality -- poor, small children of single mothers are at particular risk for child maltreatment.

In 1982, the most recent year for which data is available, 43 percent of the families reported for child maltreatment were headed by a single female caretaker, compared to only 19 percent of all U.S. families. Of these families, 43 percent were living on public assistance, compared to only 12 percent of all families. In addition, 26 percent of all reported families were reported for lack of supervision of their child/children.

Clearly, these families would benefit significantly from adequate child care services. This would reduce the stress associated with raising children alone when already stressed by poverty.

Findings from AHA conducted surveys in 1983 and 1984, however, have indicated that support services, such as day care have been severely reduced in most states throughout the U.S. due to their substantially reduced federal funding. Child protection professionals working with abused children and their families, have in turn, found their ability to adequately service their clients drastically affected.

As a result of all of our findings, we strongly believe that an increased availability of Title XX-supported child care services would serve to reduce the overall number of children at risk of being maltreated.

We appreciate the opportunity to submit this information for the record of the hearing on August 2, 1984 - "Improving Child Care Services: What can be Done?" and commend you for your efforts to address this critical issue.

Sincerely,

Larry Brown

Larry Brown, ACSW
Director,
Child Protection Division

enclosure

Highlights of Official Child Neglect and Abuse Reporting 1982

The American Humane Association
Child Protection Division
9725 East Hampden Avenue
Denver, Colorado 80231

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Finally, but most important, special recognition is given the state liaisons to the National Study and those protective service workers throughout the country whose efforts provided the data for the National Study.

Wayne Holder, ACSW
Director
Children's Division
The American Humane Association

Helen V. Howerton
Director
National Center on Child Abuse and Neglect
Department of Health and Human Services

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INTRODUCTION

This report represents an updated profile of officially reported child maltreatment in the United States as provided through the National Study on Child Neglect and Abuse Reporting. The National Study is a project conducted by American Humane and funded through the National Center on Child Abuse and Neglect of the Department of Health and Human Services.

The information in this report is derived from official reports of child maltreatment documented by child protective services (CPS) agencies nationwide during 1982. It focuses on the characteristics of reporting to CPS agencies, on the characteristics of the reported cases, and on the nature of the response on the part of CPS agencies to reported cases. (Identifying information, e.g., names or addresses, is not collected).

Since the first national analysis of reporting statistics was issued in 1976, this information has served to keep a diverse audience informed on the status of reported child maltreatment on a nationwide basis. In addition, special analyses of the data at the state and local levels have provided a useful tool to CPS administrators in evaluating their programs and in more informed decision-making on the provision of child protective services.

As a summary of reporting at the national level, this report presents only the general data categories. The data base for the National Study contains considerable detail for each category, and the information can be made available to interested persons.*

Finally, it is most important to point out that for inclusion in any of the percentage distributions or cross tabulations presented in this report, each jurisdiction's data must meet systematically applied compatibility criteria. The criteria are applied so that the data included in each analysis will share a common definitional base. For this reason, the amount of data included in each table (the "N") varies as a function of the number of jurisdictions submitting comparable data. In addition, the particular data elements that constitute the various data categories are presented in the Appendix. The reader is encouraged to consult this listing while reading this report to facilitate understanding.**

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*Inquiries about the availability of detailed data should be directed to American Humane.

**For detailed information on the methods used by the National Study, the reader is referred to *Trends in Officially Reported Child Neglect and Abuse*, American Humane, Denver, Colorado, 1984.

CHARACTERISTICS OF REPORTING TO CHILD PROTECTIVE SERVICES

NATIONAL REPORTING OVER TIME

In 1982, there were 929,310 reports of child abuse and neglect documented nationwide. This represents an increase of 123 percent since 1976, the first year this information was available. As can be seen in Table 1, however, the rate at which reporting increased from year to year actually declined until 1982.

TABLE 1
NATIONAL REPORTING OVER TIME

YEAR	TOTAL NUMBER OF REPORTS	ANNUAL INCREASE
1976	416,033	-
1977	516,142	24%
1978	614,291	19%
1979	711,142	16%
1980	788,844	11%
1981	850,980	8%
1982	929,310	9%

The very large increases in earlier years corresponded to a time when jurisdictions' reporting systems were undergoing rapid development and reporting legislation was being broadened. The fact that in 1982, the rate of increase went from 8 percent up to 9 percent, while not significant, may be the beginning of a new trend and certainly warrants monitoring since the child population in the U.S. has been decreasing: it may be reflecting an increase in incidence as well as reporting.*

REPORT TOTALS AND INVOLVED CHILD REPORTING RATES BY JURISDICTION

Table 2 shows 1982 report totals and numbers of involved children as provided by officials within each of the jurisdictions. The involved child reporting rates were based on 1982 child population estimates derived from census information and therefore must be recognized as such.

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*The U.S. child population decreased by an estimated 5.5 percent between 1976 and 1982.

There is considerable variation in involved child reporting rates among the jurisdictions. One of the main reasons for this is that child protective services reporting systems themselves vary. We know, for instance, that rates tend to be higher in jurisdictions that report by family instead of by individual child — more involved children are accounted for by virtue of the fact that they reside together. The level of public awareness and proactive efforts on the part of a community related to identifying children at risk of maltreatment also significantly affects reporting rates. What is not possible to propose is that there is a direct correlation between reporting rates and actual incidence of maltreatment. By definition, maltreatment that is not reported is not accounted for in reporting statistics. Therefore, it would be inappropriate to surmise from these statistics that Maine, for example, has more child maltreatment than Illinois; it is possible to conclude that proportionately more children in Maine were identified through their particular reporting system.

Finally, there were an estimated 1.3 million children reported in 1982. The national child reporting rate, based on information from the 50 states and the District of Columbia, was 20.08 per 1,000 child population.

TABLE 2
NUMBER OF REPORTS AND INVOLVED CHILD RATES, 1982

STATE	NUMBER OF REPORTS	NUMBER OF INVOLVED CHILDREN	INVOLVED CHILD RATES: INVOLVED CHILDREN PER 1,000 U.S. CHILDREN
Alabama	24,000[1,3]	24,000[3]	21.24
Alaska	3,179[1,2,7]	3,179[2,7]	22.55
Arizona	8,944	N/A	N/A
Arkansas	8,935	15,145	23.34
California	119,685	218,605	33.71
Colorado	8,191	N/A	N/A
Connecticut	8,335	12,156	15.51
Delaware	3,114	N/A	N/A
District of Columbia	3,127[3]	5,484	39.74
Florida	80,743[1,2]	80,743[2]	33.25
Georgia	13,384[2]	30,298	18.61
Hawaii	2,997[1]	2,997	10.78
Idaho	4,805	6,200[3]	20.00
Illinois	34,394	61,443	19.58
Indiana	23,988[1]	23,988	15.53
Iowa	22,431[1]	22,431	28.14
Kansas	19,181[1]	19,181	29.65
Kentucky	30,455[1,2]	30,455	29.23
Louisiana	17,968	37,733[3]	28.10
Maine	4,188	8,671	28.06
Maryland	5,843[1,6]	5,846[6]	*

TABLE 2 — Continued

STATE	NUMBER OF REPORTS	NUMBER OF INVOLVED CHILDREN	INVOLVED CHILD RATES: INVOLVED CHILDREN PER 1,000 U.S. CHILDREN
Massachusetts	28,869[1]	28,869	20.40
Michigan	35,580	82,795[3]	32.10
Minnesota	10,009	14,393	12.63
Mississippi	3,214	N/A	N/A
Missouri	33,965	55,862	42.26
Montana	4,342[1,3]	4,342[3]	18.80
Nebraska	4,093	5,872	13.32
Nevada	4,395	8,297	36.07
New Hampshire	2,979	N/A	N/A
New Jersey	20,193[1]	20,193	10.06
New Mexico	2,878[2,8]	5,684[8]	*
New York	69,739	N/A	N/A
North Carolina	16,979[2]	27,217	16.84
North Dakota	2,088	3,738	19.37
Ohio	23,000[3]	N/A	N/A
Oklahoma	14,676[1]	14,676	16.66
Oregon	3,639[1,5]	N/A	*
Pennsylvania	15,593[1]	15,593	5.22
Rhode Island	4,492	8,086	34.56
South Carolina	10,534[2]	23,545	25.45
South Dakota	5,048[1]	5,048	25.24
Tennessee	17,692	32,550	25.83
Texas	54,228	91,521	20.21
Utah	6,358	N/A	N/A
Vermont	1,056	N/A	N/A
Virginia	40,597[1,2]	40,597	28.23
Washington	21,536	41,565	36.43
West Virginia	7,763	N/A	N/A
Wisconsin	9,067[1]	9,067	6.90
Wyoming	1,635	2,572	16.30
Guam	166[4]	N/A	N/A
Puerto Rico	4,822	11,240	N/A
Virgin Islands	125[1]	125	N/A
Mariana Islands	73	101	N/A

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*Calculating a rate using the particular information provided by this state is inappropriate.

[1] Represents individual child reports as opposed to family reports.

[2] Represents reports documented during the fiscal year as opposed to the calendar year.

[3] Represents an estimate.

[4] Represents total contained in the National Study data base.

[5] Represents substantiated reports only.

[6] Represents abuse reports only.

[7] Represents new cases accepted during this peroid.

[8] Represents reports documented from October, 1982 through August, 1983.

TYPE OF REPORT*

The "type of report" serves to summarize the nature of the child maltreatment problem as it is reported to child protective services agencies. Table 3 shows that neglect, both alone and in combination with abuse, is by far the most frequently reported aspect of child maltreatment. Alone, it accounted for 44 percent of all the reports, with abuse it accounted for a total of 63 percent.

The "other" category refers to cases for which a specific report type was not indicated and includes "at risk", which accounted for about 3 percent of all reports.

TABLE 3
TYPE OF REPORT
(N=255,472)

TYPE	PERCENT OF REPORTS
Abuse	26%
Neglect	43%
Abuse/Neglect	19%
Other	12%
TOTAL	100%

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*The information in this and subsequent sections of this report is based on data provided by 36 U.S. jurisdictions. A listing of these "case data participants" and the number of reports used from each is provided in Appendix B.

SOURCE OF REPORT

As Table 4 shows, the types of individuals who report suspected maltreatment to child protective services agencies are fairly evenly divided between professional sources (48 percent) and nonprofessionals (52 percent). It is interesting to note that it is the victim's own friends, neighbors and relatives who constitute the single largest group of reporters (41 percent): this represents a significant level of lay community concern, especially since, typically, nonprofessionals are not required by law to report, whereas many professional groups are.

TABLE 4
SOURCE OF REPORT
(N=252,506)

SOURCE	PERCENT OF ALL REPORTS
Professionals:	
Medical Personnel	11%
School Personnel	12%
Law Enforcement	12%
Social Services	11%
Child Care Providers	2%
Total	**48%**
Nonprofessionals:	
Friends, Neighbors, Relatives, Self*	41%
Anonymous	9%
Other Sources	2%
Total	**52%**

*"Self" includes both victims and perpetrators and accounts for about 3 percent of all reports.

CHARACTERISTICS OF CPS CASES

SUMMARY PROFILE OF REPORTED FAMILIES

Table 5 provides an overview of the major demographic characteristics of families who are reported to child protective services agencies. Note that a "caretaker" is defined as an adult who has full-time responsibility for a child and would not include, for example, babysitters or teachers. Also note that most — at least 77 percent — of the perpetrators are also the caretakers.

The race distribution of the involved children differs from that for all U.S. children* in that 69 percent of the involved children were white, compared to 82 percent of all U.S. children.** Age also differs in that the average age of involved children was 7.1 years vs. 8.7 for all U.S. children. The overrepresentation of young children can also be seen in the following:

Age	All U.S. Children	Involved Children
0 - 5	33%	43%
6 - 11	32%	33%
12 - 17	35%	24%

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*All general population information presented in this section is taken from "U.S. Children and their Families: Current Conditions and Recent Trends", reprinted July 1983 by the Foundation for Child Development, and represents estimates for the year 1982, unless otherwise noted.

**The actual percentages for the various race categories cannot be compared because the census data do not reflect a distinction between Hispanic and black and white, whereas the data received by the National Study do.

TABLE 5
SUMMARY PROFILE OF FAMILIES REPORTED FOR CHILD MALTREATMENT

PERPETRATOR DESCRIPTORS	
Age	
Average Age	31.2 years
Sex	
Males	38.6%
Females	61.4%
Race	
White	69.0%
Black	19.7%
Hispanic	9.2%
Other	2.1%
CARETAKER AND HOUSEHOLD DESCRIPTORS	
Age	
Average Age	31.4 years
Sex	
Males	36.5%
Females	63.5%
Race	
White	70.8%
Black	19.1%
Hispanic	6.1%
Other	4.0%
Employment Status	
No Caretakers Employed	41.4%
Caretaker Composition	
Male Only	4.6%
Female Only	43.4%
Male/Female	50.7%
Other*	1.3%
Number of Children in the Home**	
Average Number of Children	2.2
Public Assistance Status	
Receiving Public Assistance	43.4%
Not Receiving Public Assistance	56.5%

TABLE 5
Continued

INVOLVED CHILD DESCRIPTORS	
Relationship to Caretaker	
Natural Child	86.9%
Step/Adoptive/Foster Child	9.3%
Unspecified Parent Type	0.6%
Other Relative	2.5%
Other	0.7%
Relationship to Perpetrator	
Natural Child	85.1%
Step/Adoptive/Foster Child	8.0%
Unspecified Parent Type	0.7%
Other Relative	4.1%
Other	2.1%
Age	
Average Age	7.1
Sex	
Males	49.5%
Females	50.5%
Race	
White	64.9%
Black	21.7%
Hispanic	11.0%
Other	2.4%

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*Represents Male/Male and Female/Female.

**Represents all children in each home, not just involved children.

Forty three percent of the reported families were headed by a single female caretaker, compared to only 19 percent of all U.S. families (with children under 18). The average of 2.2 children per reported family is somewhat higher than the average for all U.S. families, which was 1.9*. The overrepresentation of larger families among reported families can also be seen from the following:

Number of Children	All U.S. Families*	Reported Families
1	40%	40%
2	37%	28%
3	15%	17%
4	8%	15%

The proportion of all reported families who were receiving public assistance was 43 percent, compared to all U.S. families, of which only about 12 percent were receiving equivalent public assistance. There was no caretaker employed in 41 percent of the reported families.

STRESS FACTORS

A "stress factor" is a factor or condition of the family which is perceived by the caseworker to produce stress, tension and problems within the family. Table 6 dembnstrates the high degree of stress under which reported families were living. The additional fact that 60 percent of these cases indicated two or more categories of stress underscore the multiplicity of their problems.

TABLE 6
STRESS FACTORS
(N=76,555)

STRESS FACTORS	PERCENT OF REPORTS
Health Problems	42%
Economic/Physical Living Condition Problems	47%
Family Interaction Problems	68%
Other Stress Factors	29%

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*For this particular part of the analysis, corresponding census information was available for 1981 rather than 1982.

MALTREATMENT

Table 7 shows the distribution of involved children for whom maltreatment information was available across categories of maltreatment. Note that because a child could have experienced more than one type, the total is greater than 100 percent.

TABLE 7
TYPE OF MALTREATMENT
(N=331,544)

TYPE OF MALTREATMENT	PERCENT OF CHILDREN
Major Physical Injury	2%
Minor Physical Injury	17%
Unspecified Physical Injury	5%
Sexual Maltreatment	7%
Deprivation of Necessities	62%
Emotional Maltreatment	10%
Other Maltreatment	9%

Type of Maltreatment and Perpetrator Relationship

Table 8 shows how the various types of maltreatment are associated with various perpetrator relationship types. For this analysis, only perpetrators who were also the child's caretaker were included.

It is noteworthy that natural parents were much less likely to be involved in sexual maltreatment relative to the other maltreatment types, the difference being accounted for by "other" parents, i.e., step, adoptive or foster parents.

Similarly, natural parents were less likely to be involved in cases indicating minor or unspecified physical injury compared to the frequency of their involvement in the other types of maltreatment, the difference is accounted for by other parent types.

TABLE 8
TYPE OF MALTREATMENT AND CHILD RELATIONSHIP TO PERPETRATOR — CARETAKERS
(N=77,214)

CHILD-PERPETRATOR RELATIONSHIP	MAJOR OR MAJOR W/MINOR PHYSICAL INJURY (N=1,541)	MINOR OR UNSPECIFIED PHYSICAL INJURY (N=12,090)	SEXUAL MALTREATMENT (N=5,173)	DEPRIVATION OF NECESSITIES (N=42,960)	EMOTIONAL MALTREATMENT (N=9,648)	OTHER MALTREATMENT (N=609)	MULTIPLE MALTREATMENT* (N=11,107)	PERCENT OF ALL RELATIONSHIPS
Natural Parent	81%	74%	57%	90%	80%	90%	82%	84%
Other Parent**	9%	15%	32%	1%	6%	2%	5%	6%
Natural and Other Parent	5%	6%	5%	5%	10%	6%	8%	6%
Other Relative	2%	2%	2%	2%	2%	2%	2%	2%
Nonrelative	2%	2%	3%	<1%	<1%	0%	<1%	1%
Other Perpetrator Combinations	1%	1%	1%	1%	1%	0%	2%	1%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%

*Refers to children for whom more than one type of maltreatment was indicated and "Major or Major with Minor Physical Injury" or "Minor or Unspecified Physical Injury" does not apply.

**"Other parent" refers to adoptive, step and foster parents.

Type of Maltreatment and Reporting Sources

Table 9 shows the associations between the various types of maltreatment and reporting sources. The predominance of non-professional sources for most types of maltreatment is consistent with their representation among all reporting sources for all reports. A noteable exception is major or major with minor physical injury, which came primarily from medical personnel. It is also interesting to note that school personnel were identifying more minor or unspecified physical injury relative to their representation for the other types of maltreatment.

TABLE 9
TYPE OF MALTREATMENT AND SOURCE OF REPORT
(N=193,048)

TYPE OF MALTREATMENT	MAJOR OR MAJOR W/MINOR PHYSICAL INJURY (N=3,630)	MINOR OR UNSPECIFIED PHYSICAL INJURY (N=33,363)	SEXUAL MALTREATMENT (N=12,177)	DEPRIVATION OF NECESSITIES (N=107,803)	EMOTIONAL MALTREATMENT (N=13,136)	OTHER MALTREATMENT (N=4,303)	MULTIPLE MALTREATMENT (N=19,843)	PERCENT OF ALL SOURCES
Medical	45%	10%	14%	7%	.6%	7%	11%	9%
School	11%	24%	10%	10%	11%	5%	12%	13%
Social Services	8%	9%	15%	10%	12%	13%	10%	10%
Law Enforcement	7%	10%	16%	16%	13%	23%	14%	14%
Child Care	4%	3%	1%	1%	1%	2%	2%	2%
Nonprofessional	19%	36%	39%	42%	47%	39%	44%	41%
Other Sources	6%	8%	5%	13%	9%	11%	7%	11%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%

Type of Maltreatment and Perpetrator Age

Table 10 shows the associations between maltreatment types and perpetrator age groups.

One of the more significant findings of this analysis concerns the involvement of young perpetrators in major physical injury — 69 percent of major or major with minor physical injury was accounted for by perpetrators under 30 years old, whereas only 49 percent of all perpetrators were under 30. This is quite different from their level of involvement in the other maltreatment types.

For sexual maltreatment, 23 percent of the perpetrators were between the ages of 20 and 30, whereas 41 percent of all perpetrators were in that range. At the same time, 29 percent of the sex abuse prepetrators were 40 or older, compared to 17 percent for all perpetrators.

TABLE 10
TYPE OF MALTREATMENT AND AGE OF PERPETRATOR
(N=167,863)

AGE	MAJOR OR MAJOR WITH MINOR PHYSICAL INJURY (N=3,262)	MINOR OR UNSPECIFIED PHYSICAL INJURY (N=24,733)	SEXUAL MALTREATMENT (N=[illegible])	DEPRIVATION OF NECESSITIES (N=66,967)	EMOTIONAL MALTREATMENT (N=9,720)	OTHER (N=7,316)	MULTIPLE MALTREATMENT (N=[illegible])	PERCENT OF ALL PERPETRATORS
Under 15	1%	<1%	4%	<1%	<1%	<1%	1%	1%
15 -19	13%	5%	8%	8%	4%	8%	6%	7%
20 - 24	32%	19%	9%	22%	15%	22%	18%	19%
25 -29	23%	22%	14%	23%	20%	22%	21%	22%
30 -34	14%	22%	19%	19%	21%	18%	20%	20%
35 - 39	8%	15%	17%	12%	17%	13%	15%	14%
40 - 44	4%	9%	11%	7%	10%	8%	9%	8%
45 - 49	2%	4%	6%	3%	5%	4%	4%	4%
50 - 54	1%	2%	5%	2%	3%	2%	3%	2%
55+	2%	2%	7%	4%	5%	3%	3%	3%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%

Type of Maltreatment and Age of Involved Child

Table 11 shows the distribution of maltreatment types across ages of involved children, the age distribution of all involved children, and, for comparison, the age distribution of all children in the U.S. under 18 years.

One important finding that is immediately apparent is the concentration of major physical injury among very young children — 60 percent of major or major with minor physical injury was accounted for by children under the age of four. The fact that 13 percent of "other" maltreatment is associated with children less than one year is probably attributable to abandonment, which is captured by the "other" category. Beyond this, there is no equivalent concentration of any other maltreatment type among a particular age group.

TABLE 11
TYPE OF MALTREATMENT AND AGE OF INVOLVED CHILD
(N=228,794)

AGE	MAJOR OR MAJOR W/MINOR PHYSICAL INJURY (N=[illegible])	MINOR OR UNSPECIFIED PHYSICAL INJURY (N=[illegible])	SEXUAL MALTREATMENT (N=[illegible])	DEPRIVATION OF NECESSITIES (N=[illegible])	EMOTIONAL MALTREATMENT (N=[illegible])	OTHER MALTREATMENT (N=[illegible])	MULTIPLE MALTREATMENT (N=[illegible])	PERCENT OF ALL INVOLVED CHILDREN (N=[illegible])	PERCENT OF ALL U.S. CHILDREN (N=[illegible])
Less than 1 year	20%	4%	<1%	9%	4%	13%	6%	7%	6%
1	17%	7%	1%	9%	5%	8%	7%	8%	6%
2	14%	8%	3%	9%	6%	8%	8%	8%	6%
3	9%	7%	5%	8%	6%	7%	7%	7%	5%
4	6%	6%	6%	7%	6%	6%	6%	6%	5%
5	5%	6%	6%	6%	6%	5%	6%	6%	5%
6	4%	6%	5%	6%	6%	5%	6%	6%	5%
7	4%	6%	5%	6%	6%	5%	6%	6%	5%
8	3%	5%	6%	6%	5%	4%	5%	5%	5%
9	2%	5%	5%	5%	5%	4%	5%	5%	5%
10	2%	5%	6%	5%	6%	4%	5%	5%	5%
11	2%	5%	6%	5%	6%	4%	5%	5%	6%
12	2%	5%	7%	4%	6%	5%	5%	5%	6%
13	2%	6%	8%	4%	6%	5%	5%	5%	6%
14	2%	6%	9%	4%	6%	5%	5%	5%	6%
15	2%	5%	8%	3%	6%	5%	5%	4%	6%
16	2%	5%	7%	2%	5%	4%	4%	3%	6%
17	1%	3%	4%	1%	3%	2%	2%	2%	6%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%

FATALITIES

Data related to fatalities was available from 24 of the jurisdictions. The actual number of children who died in 1982 as a result of maltreatment is not available through this study. However, presenting some of the characteristics of these cases involving 484 fatalities is informative.

Children who were reported as fatalities were much younger compared to all involved children — their average age was 2.04, vs. 7.14 years. Males and females were fairly equally represented (51 percent and 49 percent), which is consistent with all reported children. The most frequently associated type of maltreatment was deprivation of necessities, which was indicated for 51 percent of the fatalities, followed by major physical injury (40 percent) and minor physical injury (24 percent).

The single largest group of reporting sources was medical personnel (41 percent), followed by law enforcement (36 percent). This contrasts with reporting sources for all reports, for which nonprofessionals constituted the largest group.

In sixty percent of the reported fatality cases, both a male and female caretaker were present; in 37 percent, there was a single female only. This differs from all reported families: a male and female caretaker were present in 51 percent; a single female caretaker was present in 43 percent.

CHARACTERISTICS OF CPS RESPONSES TO MALTREATMENT REPORTS

SUBSTANTIATION STATUS

Whether or not a report is substantiated represents one of the first decisions CPS makes about a case (synonymous terms include "founded" and "valid"). In recent years, some states adopted a typology that accommodates varying levels of evidence and began to use categories such as "at risk". Therefore, it is no longer possible to distinguish all reports as purely substantiated or unsubstantiated. Table 12 shows the distribution of reports across the National Study's categories related to substantiation, which incorporates reports labeled as "at risk" with those labeled as substantiated.

TABLE 12
SUBSTANTIATION STATUS
(N=205,878)

SUBSTANTIATION STATUS	PERCENT OF REPORTS
Substantiated or At Risk	41%
Unsubstantiated	59%
TOTAL	100%

CASE STATUS

The second decision made by CPS typically is whether or not to open the case for services after the investigation has taken place. It is important to point out that case status is different from substantiation status; all substantiated cases are not necessarily opened for services, nor are all unsubstantiated cases necessarily closed after the investigation. Table 13 shows the distribution of reports across categories of case status. The "other" category primarily includes those families who could not be located (about 2 percent of the total) and those who were referred out for services other than CPS (about 3 percent of the total).

TABLE 13
CASE STATUS
(N=142,254)

CASE STATUS	PERCENT OF REPORTS
Currently Under Investigation	4%
Case Closed After Investigation	49%
Opened for Protective Services	41%
Other Status	6%
TOTAL	100%

Case Status and Source of Report

Table 14 shows that with the exceptions of law enforcement personnel, "other" sources, and nonprofessionals, cases reported by the various groups of reporters were fairly evenly divided between "closed after the investigation" and "protective services provided". Reports made by law enforcement were most likely to result in protective services (56 percent); those made by "other" sources which includes anonymous reporters, were least likely to do so (25 percent). Nonprofessionals were the largest single group of reporting sources; however, their reports were less likely to result in protective services relative to all the professional groups.

TABLE 14
CASE STATUS AND SOURCE OF REPORT
(N=111,359)

STATUS	MEDICAL PERSONNEL (N=11,264)	SCHOOL PERSONNEL (N=13,466)	SOCIAL SERVICES (N=12,549)	LAW ENFORCEMENT (N=12,675)	CHILD CARE (N=2,784)	NON-PROFESSIONALS (N=48,313)	OTHER (N=10,308)	PERCENT OF ALL REPORTS
Currently Under Investigation	2%	4%	3%	3%	5%	3%	2%	3%
Case Closed After Investigation	44%	43%	47%	36%	47%	56%	70%	51%
Protective Services	49%	48%	45%	56%	45%	36%	25%	41%
Other	5%	5%	5%	5%	3%	5%	3%	5%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%

Case Status and Type of Maltreatment

As demonstrated in Table 15, not all cases where a maltreatment type was indicated were opened for protective services. In addition, there is some variation with regard to the particular type of maltreatment that was indicated and the likelihood of receiving services. For example, cases involving minor or unspecified physical injury were least likely to have been opened for services; those involving "other", which includes abandonment, were most likely to do so.

TABLE 15
TYPE OF MALTREATMENT AND CASE STATUS
(N=62,888)

TYPE OF MALTREATMENT	CURRENTLY UNDER INVESTIGATION	CLOSED AFTER INVESTIGATION	OPEN FOR PROTECTIVE SERVICES	OTHER STATUS	TOTAL
Major or Major with Minor Physical Injury (N=1,245)	3%	24%	67%	6%	100%
Minor or Unspecified Physical Injury N=10,208)	4%	33%	54%	9%	100%
Sexual Maltreatment (N=3,446)	5%	20%	67%	8%	100%
Deprivation of Necessities (N=33,476)	3%	34%	54%	9%	100%
Emotional Maltreatment (N=4,119)	3%	20%	67%	10%	100%
Other Maltreatment (N=662)	4%	9%	86%	1%	100%
Multiple Maltreatment (N=9,732)	2%	23%	66%	9%	100%
TOTAL	3%	30%	58%	9%	100%

SERVICES PROVIDED

The distribution of reports across categories of services is shown in Table 16. Note that "casework counseling" refers to continued involvement on the part of a CPS worker with the family and encompasses a variety of activities. Immediate or short term crisis services includes emergency medical care and emergency shelter care. Long term services includes, as examples, foster care, homemaker and day care services.

TABLE 16
SERVICES PROVIDED
(N=28,018)

SERVICES	PERCENT OF REPORTS
Investigation Only/Services Planned	4%
Casework Counseling	79%
Court Action Initiated	19%
Immediate or Short Term Services	17%
Long Term or Support Services	47%
Other Services	4%

Other data showed that 54 percent of the cases received two or more categories of services. The most frequent combination was casework counseling with long-term services. Also, for the readers information, foster care or other out of home placement was indicated for approximately 12 percent of the cases for which the information was available for this study; day care, for 5 percent; and homemaker services, for 3 percent.

SUMMARY

CHARACTERISTICS OF REPORTING TO CPS

The number of child abuse and neglect reports processed by child protective service agencies nationwide in 1982 was 929,310. This represents an increase of 123 percent since 1976. However, the rate at which reporting increased from year to year steadily declined up until 1982, when it went up from 8 percent to 9 percent. This may be a new trend in as much as the child population in the U.S. has decreased.

The 1982 National Study data base contained 457,747 reports provided by 36 U.S. jurisdictions. This represented half of all reports documented nationwide. Also, the 36 fully participating jurisdictions accounted for 67 percent of the total U.S. child population.

The national reporting rate was 20.08 children reported for every 1,000 children in the U.S.

The most frequently reported aspect of the child maltreatment problem was neglect, which both alone and in combination with abuse accounted for 63 percent of all reports.

Reporting sources were fairly evenly divided between professional and nonprofessional groups, with friends, neighbors and relatives being the largest single group.

CHARACTERISTICS OF CPS CASES

Forty-three percent of the reported families were headed by a single female caretaker, compared to only 19 percent of all U.S. families. The reported families tended to be somewhat larger than all U.S. families — an average of 2.2 children vs. 1.9.

Forty-three percent were receiving public assistance, compared to about 12 percent of all U.S. families. Also, in 41 percent of the reported families, no caretaker was employed.

The involved children as a group tended to be younger than all U.S. children. Their average ages were 7.1 and 8.7 years, respectively. White involved children were underrepresented — 69 percent of those reported vs. 82 percent of all U.S. children. Females and males were equally represented among all involved children.

Most (85 percent) of the perpetrators were the child's natural parents. Step/adoptive/foster parents accounted for another 8 percent.

Deprivation of necessities was the most frequently indicated type of maltreatment (62 percent), followed by minor physical injury (17 percent). Major physical injury was the least frequently indicated type (2 percent). Sexual maltreatment was indicated for 7 percent.

CHARACTERISTICS OF CPS RESPONSES TO MALTREATMENT REPORTS

Forty-one percent of all reports were substantiated or at risk; 59 percent were unsubstantiated.

Forty-one percent of the reported cases were open for protective services; 49 percent were closed after the investigation.

The predominant service type was casework counseling (79 percent), followed by long term services (47 percent). Court action was indicated for 19 percent, and short term crisis services indicated for 17 percent.

IMPLICATIONS

In 1982, CPS agencies nationwide received more than twice as many reports than just six years earlier. Despite substantial positive developments during this period, it is clear that the current CPS system is ill-equipped to deal adequately with this volume of reporting. Nearly half of the reported cases were closed after the investigation, and many of these closed cases involved children for whom a type of maltreatment had been indicated. Furthermore, the lack of consistency of response on the part of CPS agencies leads one to question how screening and service delivery decisions are being made now in the face of budget and staff cutbacks.

Given the reality of significantly increased reporting, it is perhaps unrealistic to expect the CPS system to effectively deal with maltreatment only after it has occurred; rather, concerted efforts to prevent if from occuring in the first place are also needed. Clearly, the prevention of maltreatment must be given priority status in emerging policy directed toward children and families. Moreover, the national reporting data can help direct prevention efforts by delineating risk factors for child maltreatment.

Although the reporting data cannot of course reflect what is not reported, there is a remarkable consistency to the characteristics of reported families over time, even as the reporting "net" has widened and the number of cases more than doubled.

More specifically, the characteristics of families who come in contact with CPS agencies seem to be different from those of the general population. The children tend to be younger; they are more likely to be non-white; they tend more often to be headed by a single female; they receive public assistance much more frequently; and they have more children. Also, while comparison with the general population is not possible, it is significant that reported families are plagued by a number of stresses, including a high rate of unemployment. Finally, they tend to be involved in deprivation of necessities or neglect more frequently than any other type of maltreatment, which likely is related to their economic status.

In sum, while obviously child maltreatment is not restricted to any particular sub-group of the population, enough is now known about the majority of those families who become involved with CPS agencies so that prevention efforts directed toward the identified population can be developed. As we come to learn more about maltreating families who do not become involved with CPS, prevention policy can be broadened so that the protection of children does not depend on being identified after the fact.

APPENDIX A

DATA ITEMS AND RESPONSE CATEGORIES FOR THE NATIONAL STUDY DATA BASE

Case and Family Descriptors

A. DATE OF INITIAL REPORT
   1. Date

B. DATE CASE STATUS DETERMINED
   1. Date

C. LOCATION
   1. State or statecode
   2. County or countycode
   3. District code

D. NUMBER OF CHILDREN IN HOME
   1. Number

E. SOURCE OF INITIAL REPORT
   1. Medical personnel
      - a. Private physician
      - b. Clinic or hospital physician
      - c. Other medical personnel
      - d. Unspecified/mixed school personnel
   2. School personnel
      - a. School nurse
      - b. Teacher
      - c. Principal
      - d. Other school personnel
      - e. Unspecified/mixed medical personnel
   3. Social service personnel
      - a. Social worker
      - b. Mental health personnel
      - c. Institutional staff
      - d. Other social service personnel
      - e. Unspecified/mixed social service personnel
   4. Law enforcement personnel
      - a. Police
      - b. Courts, attorneys
      - c. Parole, probation officer
      - d. Emergency service personnel
      - e. Other law enforcement personnel
      - f. Unspecified/mixed law enforcement personnel

5. Nonprofessionals
   a. Friend, neighbor
   b. Victim
   c. Responsible caretaker
   d. Perpetrator/self report
   e. Other family member/relative
   f. Other nonprofessional
   g. Unspecified/mixed nonprofessionals
6. Child care providers
   a. Day care center
   b. Preschool/nursery school
   c. Day care home
   d. Babysitter
   e. Other child care providers
   f. Unspecified/mixed child care providers
7. Other source of report
   a. Anonymous
   b. Other
   c. Unspecified/mixed source of report
8. Unknown

F. CASE STATUS

1. Currently under investigation
2. Case closed after investigation
3. Protective services provided
4. Other case status
   a. Case referred for services other than protective
   b. Cannot locate family
   c. Other
   d. Unspecified/mixed case status
5. Unknown

G. SERVICES PROVIDED OR ARRANGED

(maximum of four responses are allowed per report)

1. Investigation only — services expected/planned
2. Casework counseling
3. Court action initiated
4. Immediate or short-term crisis services
   a. Emergency shelter
   b. Immediate medical services
   c. Unspecified/mixed short-term crisis services
5. Long-term or support services
   a. Foster care or out-of-home placement
   b. Ongoing health services
   c. Day care
   e. Budgeting/home management services

   - f. Mental health services/counseling
   - g. Employment services
   - h. Housing assistance
   - i. Parents Anonymous or community self-help groups
   - j. Legal services
   - k. Parenting education
   - l. Church/neighborhood assistance
   - m. Financial/public assistance
   - n. Unspecified/mixed long-term support services
- 6. Other services
   - a. Other
   - b. Unspecified/mixed services provided or arranged
- 7. Family refused services
- 8. None
- 9. Unknown

H. TYPE OF REPORT

- 1. Abuse
   - a. Abuse unsubstantiated
   - b. Abuse substantiated
   - c. Abuse-substantiation unspecified
- 2. Neglect
   - a. Neglect unsubtantiated
   - b. Neglect substantiated
   - c. Neglect-substantiation unspecified
- 3. Abuse and neglect
   - a. Abuse/neglect unsubstantiated
   - b. Abuse/neglect substantiated
   - c. Abuse/neglect-substantiation unspecified
- 4. Report type unspecifed
   - a. Unsubstantiated, report type unspecified
   - b. Substantiated, report type unspecified
   - c. Nonspecified substantiation and report type
- 5. Other report type
   - a. At risk
   - b. Other
- 6. Unknown

I. FAMILY PUBLIC ASSISTANCE STATUS
(a maximum of three responses are allowed)

- 1. Receiving public assistance
   - a. Receiving AFDC
   - b. Receiving SSI
   - c. Receiving food stamps
   - d. Receiving Medicaid, Medicare
   - e. Receiving WIN
   - f. Receiving other public assistance
   - g. Receiving unspecified/mixed public assistance

2. Not receiving public assistance
3. Unknown

J. FAMILY STRESS FACTORS

(a maximum of six responses are allowed for each case)

1. Health problems
    a. Alcohol/drug dependency
    b. Medical/physical disability of caretaker
    c. Medical/physical disability of child
    d. Mental retardation of caretaker
    e. Mental retardation of child
    f. Mental/emotional health problem of caretaker
    g. Mental/emotional health problem of child
    h. Other health problems
    i. Unspecified/mixed health problems
2. Economic or physical living conditions
    a. Inadequate housing
    b. Social isolation
    c. Job-related problems
    d. Insufficient income
    e. Transient or unstable living situation
    f. Mismanagement of income
    g. Other economic or physical living condition problems
    h. Unspecified/mixed economic or physical living conditions
4. Other stress factors
    a. Other
    b. Unspecified/mixed stress factors
5. None
6. Unknown

Responsible Caretaker and Perpetrator Descriptors

A. RESPONSIBLE CARETAKER AGE

1. Age in years

B. RESPONSIBLE CARETAKER SEX

1. Male
2. Female
3. Unknown

C. RESPONSIBLE CARETAKER RACE

1. White
2. Black
3. Hispanic
4. Other race
    a. Asian
    b. Native American
    c. Alaskan Native

  - d. Other
  - e. Unspecified/mixed other race
- 5. Unknown

D. RESPONSIBLE CARETAKER EMPLOYMENT STATUS

- 1. Employed full-time
- 2. Unemployed
- 3. Other employment status
  - a. Employed less than full-time
  - b. Temporary employment
  - c. Student, not in labor force
  - d. Homemaker, not in labor force
  - e. Disabled, not in labor force
  - f. Unspecified/mixed other employment status
- 4. Unknown

E. PERPETRATOR AGE

- 1. Age in years

F. PERPETRATOR SEX

- 1. Male
- 2. Female
- 3. Unknown

G. PERPETRATOR RACE

- 1. White
- 2. Black
- 3. Hispanic
- 4. Other race
  - a. Asian
  - b. Native American
  - c. Other
  - d. Unspecified/mixed other race
- 5. Unknown

Child Data

A. CHILD AGE

- 1. Age in years

B. CHILD SEX

- 1. Male
- 2. Female
- 3. Unknown

C. CHILD RACE

- 1. White
- 2. Black
- 3. Hispanic
- 4. Other race
  - a. Asian
  - b. Native American

- c. Alaskan Native
- d. Other
- e. Unspecified/mixed other race

5. Unknown

D. CHILD RELATIONSHIP TO RESPONSIBLE CARETAKER

1. Parental
   - a. Natural
   - b. Step
   - c. Adoptive
   - d. Foster
   - e. Unspecified/mixed parental relationship
2. Other relative
   - a. Sibling
   - b. Grandchild
   - c. Other relative
   - d. Unspecified/mixed other relative
3. Other relationship
   - a. Boyfriend/girlfriend of parent
   - b. State institution
   - c. Private institution
   - d. Other
   - e. Unspecified/mixed other caretaker relationship
4. Unknown

E. CHILD RELATIONSHIP TO PERPETRATOR

1. Parental
   - a. Natural
   - b. Step
   - c. Adoptive
   - d. Foster
   - e. Unspecified/mixed parental relationship
2. Other relative
   - a. Sibling
   - b. Grandchild
   - c. Other relative
   - d. Unspecified/mixed other relative
3. Other relationship
   - a. Boyfriend/girlfriend of parent
   - b. State institutional staff
   - c. Private institutional staff
   - d. Babysitter
   - e. Teacher
   - f. Neighbor/friend of parent
   - g. No relationship
   - h. Other
   - i. Unspecified/mixed other perpetrator relationship
4. Unknown

F. TYPE OF MALTREATMENT

(maximum of five responses are allowed for each child)

1. Major physical injury
    a. Brain damage/skull fracture
    b. Subdural hemorrhage or hematoma
    c. Bone fracture
    d. Dislocation/sprains
    e. Internal injuries
    f. Poisoning
    g. Burns/scalds
    h. Severe cuts/lacerations/bruises
    i. Other major physical injury
    j. Unspecified/mixed major physical injuries
2. Minor physical injury
    a. Minor cuts/bruises/welts
    b. Twisting/shaking
    c. Other minor injury
    d. Unspecified/mixed minor physical injuries
3. Physical injury, severity unspecified
    a. Unspecified/mixed physical injury
4. Sexual maltreatment
    a. Incest
    b. Exploitation
    c. Rape/intercourse
    d. Molestation
    e. Other sexual maltreatment
    f. Unspecified/mixed sexual maltreatment
5. Deprivation of necessities
    a. Neglecting to provide nourishment
    b. Neglecting to provide shelter
    c. Neglecting to provide clothing
    d. Neglecting to provide health care
    e. Failure to thrive
    f. Lack of supervision
    g. Educational neglect
    h. Unspecified/mixed deprivation of necessities
6. Emotional maltreatment
    a. Emotional abuse
    b. Emotional neglect
    c. Unspecified/mixed emotional maltreatment
7. Other maltreatment
    a. Abandonment
    b. Other
    c. Unspecified/mixed maltreatment
8. No maltreatment
9. Noninvolved child
10. Unknown

G. FATALITY

1. Fatal
2. Nonfatal
3. Unknown

APPENDIX B

CASE DATA PARTICIPANTS

REPORT TOTALS OF CASE DATA PARTICIPANTS
(N=457,747)

	TOTAL
Alaska	2,538*
Arizona	8,694
Arkansas	8,974
Colorado	6,805
Dist. of Columbia	2,529
Florida	79,701*
Georgia	11,048
Hawaii	1,841
Illinois	34,374
Indiana	14,511
Iowa	13,844
Kentucky	8,267
Louisiana	15,383
Maine	2,454
Michigan	31,425
Minnesota	9,764
Mississippi	3,021
Missouri	23,752
Nebraska	3,930
Nevada	4,397
New Hampshire	2,322
New Mexico	3,439
New York	55,245
North Carolina	11,539
North Dakota	1,759
Pennsylvania	9,420*
Rhode Island	705
South Carolina	7,022
Texas	52,182
Utah	6,406
Vermont	1,030
Virginia	12,168*
West Virginia	180
Wisconsin	7,011
Guam	54
Virgin Islands	13
TOTAL	457,747

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*Represents individual child reports as opposed to family reports.

catalyst

14 East 60th Street
New York, N.Y. 10022
Telephone: 212-759-9

PRELIMINARY REPORT ON A
NATIONWIDE SURVEY OF MATERNITY/PARENTAL LEAVES

A position paper from
Catalyst's Career and Family Center
14 East 60th Street
New York, NY 10022
$3.00

PRELIMINARY REPORT ON A NATIONWIDE SURVEY OF MATERNITY/PARENTAL LEAVES

Research Project on Corporate Leave Policies

Increased Interest in Leave Policies
Interest in corporate maternity/parental-leave policy is growing. Women no longer leave the work force to bear and raise children and return to work after their children have gone to college. Women's worklife expectancy is fast approaching men's, and women who bear children leave the work force only temporarily.

According to projections, in only six years fully half of the labor force will be comprised of women (the current figure is 44%), and 80% of those women will become pregnant at some time during their worklives. Many employers are now reexamining their leave policies to effectively plan for the ongoing transition. Employees, who are often baffled by unclear, limited, or inflexible leave policies, are seeking information on other companies' policies in order to better plan their leaves and negotiate with their employers.

Despite the interest in maternity and parental leaves, little information on corporate attitudes and practices in this area is available. The Catalyst Career and Family Center's first nationwide study was conducted in 1980 among the Fortune 1300 companies and reported on existing or planned policies addressing the needs of working parents. Although the report contained limited information on parental leaves, four years later companies, employees, the business press, and other media continue to request and cite the data.

Major Project Initiated
In response to the need for more current and comprehensive information, Catalyst's Corporate Child Care Resource is conducting an investigation of corporate maternity and parental leaves. This research project thoroughly examines corporate policies, practices, and attitudes on this topic, and is designed to provide:

(1) useful data on current practices;
(2) suggestions for developing clear and effective policies;
(3) descriptions of innovative policies already in existence or currently being developed and tested; and
(4) prototype materials to assist management and employees in planning for effective leaves.

This preliminary report discusses some results from one phase of the research project, an extensive questionnaire sent to Fortune 1500 companies on their policies, practices, and attitudes.

Other components of the project include a literature review of business and legal materials related to parental leaves, interviews with senior human resources executives on policy planning and barriers to progressive policy implementation, and group interviews with employees about concerns and needs related to leave taking. This report outlines the major findings of the survey, each of which will be explored further as the project continues. The final report will incorporate more

Perspective #17, June 1984

complete information on survey responses, a thorough data analysis, information gathered from our interviews, examples of innovative policies, and recommendations for effective and productive maternity/parental-leave practices.

Survey Participants

Response Rate

The high response rate to our ten-page questionnaire indicates the importance of this issue to the corporate community. Questionnaires, with an explanation of the project, were mailed to a total of 1462 companies taken from the top 1000 industrial and 500 financial and service companies. Follow-ups were sent to all non-respondents one month later. All surveys received before March 1 were included in recording the quantitative data.

The total number of responses was 420; 24 declined to participate and 12 were received too late for inclusion, leaving a total of 384 participants. These numbers represent a response rate of 28.7%, and an impressive participation rate of 26.3%. Of the 134 Fortune 1500 companies receiving Catalyst Perspective, 75 returned a completed survey, for a participation rate of 56%.

Explanation of survey data

In reporting on survey findings, we cite percentages of respondents for a number of questions. These percentages are based on the companies answering the question, and do not include blanks, no answers or "not applicables." Since the number of companies not answering varies for each question, the percentages are based on different 'Ns,' or sample sizes. To avoid confusion or misinterpretation of the data, with every percentage we cite, we also note the number of companies represented. Where further explanation is required, we provide an explanatory footnote.

Participating Companies

The sample includes a range of companies varying in volume of sales, location, industry type, and number of employees. Approximately 70% (233 companies) reported annual sales of over $500 million (30.9%, 104 companies listed sales of $500 million or less). Two-thirds (245 companies) employ over 2,500 people with one-third (121 companies) employing over 10,000.

The survey drew responses from all regions of the country. 338 companies identified themselves by state, with one-third (115 companies) coming from the Northeast, over a third (121 companies) from the Midwest and North Central states, and the remaining 30% split evenly between the West (51 companies) and the South (50 companies).

Over half of the participating companies (52.7%, 197 companies) are manufacturing firms, with another 6.7% (25 companies) in construction, agriculture or mining. Over one-quarter (28.3%, 106 companies) are in the financial or service industries, including insurance, real estate, and retail trade. 12.3% (46 companies) are from the communication, transportation or public utilities industries. There is no industry data on ten companies.

Highlights of Survey Findings: Current Policies and Practices

The three components of maternity/parental-leave policies are often unclear.
Many maternity- and parental-leave policies lacked clear definition. Maternity/parental-leave policies can include three separate components of leave for new parents: disability, paid leaves, and unpaid leaves. These can be offered singly or in a combination.

Disability, as part of a parental-leave policy, is paid leave which applies only to natural mothers. Company short-term disability policy must treat pregnancy and childbirth in the same way as any other disability, as required by the 1978 Pregnancy Discrimination Act, which clarified Title VII of the 1964 Civil Rights Act. This period spans the time a women is physically disabled by her condition, during which time she is legally entitled to all rights granted any other disabled employee as certified by a physician.

Paid Leave is leave other than disability granted to mothers or fathers to allow them to spend a certain amount of time at home with their new baby, without total loss of income. Mothers use this time to make the emotional and psychological transition accompanying the physical recovery from childbirth. Both parents use this leave time to adjust to the new family member and/or to locate infant care, an often lengthy and involving process. In our survey we defined maternity/parental leaves (paid or unpaid) as necessarily having a guarantee of a job upon return to work. Our opinion was that if employees can technically take a "leave" but have no job guarantee, then in effect they are resigning from the company, with only a possibility of being rehired.

Unpaid Leave is the third possible component of leave, and may be offered either alone or in conjunction with one or both of the leaves described above. Like paid leave, it offers additional time to the mother for emotional and psychological adjustment, or to both parents for providing infant care during the months after birth, when a baby needs constant care which often cannot be met by existing services. This type of leave used to be offered to mothers only, as unpaid maternity leave. It is increasingly being offered to both parents and referred to as "child care leave," "care of newborn child leave," or, most commonly, "personal leave." As stated above, only policies that stipulate some kind of guarantee of continued employment are counted as actual leave policies.

Paid leave is most often confined to disability.
Few companies offer paid leave for new parents other than paid disability leave granted to women for childbirth. Almost all companies (95%, 308 companies) have a short-term disability policy. The disability period is more often partially paid (57.3%, 180 companies) than fully paid (38.9%, 122 companies). The amount of compensation varies less according to job rank or position than according to the length of an employee's service (percentage of pay increases in relation to length of service).

The length of time taken for disability varies from person to person, because the disability period is determined by medical opinion. The average length of disability leave taken varied in different companies.

63.1% reported 5-8 weeks (202 companies);
32.2% reported 9-12 weeks (103 companies);
4.7% reported 1-4 weeks (15 companies). (N=320)

Aside from the period based strictly on medical disability, most companies offer paid leave only through the use of accrued vacation time. A few companies offer paid leave in addition to disability and vacation; twenty-five companies indicated they do so for women and nine do so for men. The length of paid time granted at these companies ranges from one to eight weeks.

Men and women are often offered comparable unpaid leaves.
Companies increasingly offer leaves for men.
Not surprisingly a much larger proportion of the respondents offer employees unpaid leave, in comparison to the few offering paid leave. Although more companies offer unpaid leave to women than to men, a substantial number of companies grant men unpaid leaves. Over half of respondents (51.7%, 170 companies) give female employees some unpaid leave and *over a third give males some leave time* (36.8%, 119 companies). The relatively large sample of companies offering men unpaid leave contrasts sharply with the 8.6% of companies reported in our 1980 survey as offering some kind of "paternity benefits." The number of companies that include men in their unpaid leave policy is clearly growing. The reasons for the proliferation of policies which make leaves available to men will be explored in our final report.

Leave time granted to men and women is similar.
The maximum unpaid leave time granted to men is not significantly shorter than that granted to women. In fact, the breakdown by length of leave offered to men and women shows greater similarities than differences.

To female employees:
28.7% grant one to four weeks (52 companies).
35.9% grant two or three months (65 companies).
28.2% grant four to six months (51 companies).
7.2% grant seven months to a year (13 companies). (N=181)

To male employees:
36.0% grant one to four weeks (41 companies).
29.0% grant two or three months (33 companies).
25.4% grant four to six months (29 companies).
9.6% grant seven months to a year (11 companies).* (N=114)

These figures show that when men are offered leaves, they often tend to be allowed leaves of one to four weeks, while women are allowed somewhat longer leaves. The differences between length of leaves offered men and women are not substantial, however, especially for longer leaves.

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*The percentage of companies granting more than seven months is higher for men than for women, 9.6% vs. 7.2%, but the number is fewer (11 versus 13). This is attributable to the different sample size.

One factor in this similarity may be concern over equity and developing a non-discriminatory policy. Companies which grant men leaves tend to grant leaves of equal length to men and women; thus if a policy covers men and women and grants women three months unpaid leave, it probably grants men three months as well.

Men may have the option of parental leave, but they seldom use it. The survey also reveals that although men are increasingly covered by official policy and allowed to take leaves, only a small number are taking advantage of this opportunity. Women use the opportunity to take unpaid leave, but relatively few companies reported that men had actually taken leaves. The changes in corporate attitudes toward male leave takers and the career experiences of men taking leave will be explored in the final report.

Few differences exist between leave policies for managers and non-managers. Although it is often assumed that more flexibility exists for managers, our preliminary analysis does not confirm that belief. The survey uncovered few differences in policy or practice concerning managerial and non-managerial women. In general companies treat female employees equally in terms of flexibility in leave policy. For instance, one way a substantial number of companies (26.6%, 88 companies) accommodate the special unanticipated needs of new parents is to make policy exceptions if the situation warrants it. In nearly all of these companies (73) exceptions are made equally for managers and non-managers.

Additional flexibility is found at a surprisingly large number of companies where some women, managers and non-managers alike, have arranged to work part-time for a period upon returning from leave. Fully three-fifths of the respondents (203 companies) affirmed that that option had been granted. Once again, nearly all stated that both managerial and non-managerial women had made equal use of this opportunity.

Our findings also suggest that managerial and non-managerial women take approximately the same amount of leave. Both groups tend to return to work relatively soon. Over three-quarters of the companies who reported the average length of leave taken during the past year stated that women, managerial and non-managerial, returned *on average within three months*. This corresponds with the finding in our 1980 study of 815 two-career couples that the median time taken by the women was three months. The breakdown of average length of leave taken shows that both groups of women return to work within a very similar amount of time. The percentage of companies reporting a specified length of leave for managers and non-managers is as follows:

Average Leave Taken	Managerial Women		Non-managerial women	
	(% companies)	(# companies)	(% companies)	(# companies)
3-8 weeks	45.4	65	43.6	82
9-12 weeks	32.2	46	35.0	66
13-20 weeks	14.7	21	13.9	26
over 20 weeks	7.7	11	7.5	14
		(N=143)		(N=188)

Clarity and communication of leave policy was cited as critical to success of leave policy.
Asked to name the "most important factor" in making their policies successful, a large number of employers answered "excellent communication" or "clarity of policy." When policies are clearly written and communicated, leavetakers and their managers are better able to plan for a smooth transition and handling of work during leave. Catalyst's initial discussions with employees indicate that lack of clarity leads to employee anxiety, dissatisfaction, and an adverse relationship between leavetaker and employer. In the next few months we will examine ways the various aspects of leave policy are communicated, and develop guidelines for clear communication of these policies.

-**The Pregnancy Discrimination Act (PDA) causes major changes in corporate policy.**
A sizable number of companies changed their policies as a result of the PDA, which prohibits discrimination against employees on the basis of pregnancy or childbirth. Company policies that treated pregnant employees differently from other employees had to be adjusted as of October 1978 to conform to PDA requirements. Two of the changes we discovered through our survey were an increased formalization of policy and longer paid leave, which refers in this case to paid disability leave. Both of these changes are likely consequences of the PDA: If maternity was added to written leave policy as a result of the PDA, policy could be considered more formal; and if maternity was added to paid disability policy, the amount of paid maternity leave would appear to have been lengthened. The PDA may have other important ramifications as well. For instance, it appears that in an effort to establish a non-discriminatory policy, some companies have shortened their unpaid leave, formerly "maternity leave," and opened it up to male employees.

Looking Towards the Future: Maternity/Parental-Leave Policies

Companies have inadequate data for human resources planning.
In our survey, a significant number of corporate policymakers (one third) wrote that they did not know precisely how many people take maternity/parental leaves annually. Another quarter of respondents did not answer the question at all. Some companies who answered "unknown" may be able to retrieve the information but did not have time to do so for the survey; it seems, however, that a substantial proportion of companies do not have or cannot retrieve such information. Since data on present and projected use of leaves can provide useful guidelines for evaluating maternity/parental-leave policy and can suggest necessary changes, more attention needs to be directed to this issue.

The number of leavetakers is likely to increase.
Companies were asked whether the proportion of leavetakers over the last few years had increased, decreased, or remained stable. Few companies experienced a decrease. Most companies indicated that the percentage had stayed about the same and a significant number noted that there had been an increase in percentage. Even if the percentage of leavetakers stays the same at many companies, given the increase in the number of women in the work force, there will almost certainly be greater numbers of leavetakers in the future. As the numbers increase, the need for a clear, equitable, adequate leave policy will become more pressing.

Companies are currently developing and implementing more programs and policies to meet the needs of working parents than they were in 1980.
The survey asked about corporate initiatives in the area of work and family, with several parts of the question nearly identical to one on our 1980 survey. Responses to this question suggest that there have been changes in the last few years.

Comparing the 1984 data with 1980's, we can see where interest has grown and where it has declined. For example in our 1980 survey, paternity leave was offered by 8.6% companies (27 companies) and favored by 25.6% (80 companies). Today it is offered in some form by 119 companies, an indication that "favoring a policy" may indicate increased likelihood of policy change. Preliminary analysis also suggests that childcare subsidy programs have increased, and that use of sick days for children's illnesses has grown, as both an actual policy option and a possible one. By contrast, the concept of "flexible work places," (e.g. allowing employees to work at home on computer terminals,) remained stable in terms of both practice and interest. Changes in corporate programs obviously take time, but the 1984 responses show that in as little as three-and-a-half years, the time elapsed since our last survey, some observable differences can be noted. As we complete our analysis, we will report more extensively on present practices and on the future possibilities for a wide range of options, including on-site child care, job-sharing, and flexible compensation.

Final Report

The issues mentioned in this report will be more fully examined as part of the larger research effort. Others we have identified which will also be addressed in the full report, include:

- Definition of Leaves: What are the components of leave for new parents? Should leave be called maternity, paternity, personal, or parental leave? Are benefits covered in most leave policies?
- Legal Questions: What are the legal implications of the Pregnancy Discrimination Act? Can a company offer unpaid leaves to new mothers and not to new fathers? Must they be of the same length?
- Male Leaves: What kinds of leaves do men want and take? How do companies respond to male leave-takers?
- Handling Work: How can a company maintain productivity when employees take leaves? How is work best handled during an employee's absence?
- Alternative Work Schedules: Under what conditions are job-sharing and permanent part-time positions feasible?
- Equity: Is it fair to give leaves to parents and not to non-parents? How can an employer make exceptions for some, and still have an equitable policy?

- Loss of Employees: How can a policy be structured to minimize employee attrition upon childbirth? Can such a policy also minimize disruption to the company?

- Policy Needs Assessment: What should companies think about in planning a leave policy? How can employees' needs be measured?

- The Future: What aspects of policies are likely to be changed? What are the barriers to more flexible leaves? How can they be addressed?

This report has provided a preliminary examination of one part of a multiphase research project. It would be premature to draw conclusions from it. Many companies seem to be "making do" with maternity-leave policies better suited to the past work force than to the present one. Some have responded to the greater numbers of women taking leaves by formalizing and clarifying policies but without making provisions for flexibility.

An increasing number of employers, however, are developing innovative and highly satisfactory policies that address employees' needs for time and flexibility, and employers need for maintaining productivity. Our final report will focus on successful components of these leave policies and analyze their applicability to other companies, by industry and geographic region. By providing useful detailed information on the policies, practices, and attitudes of a large sample of Fortune 1500 companies, the final report will fill a gap in information currently unavailable for corporate policy planning.

For further information, contact Phyllis Silverman, Ph.D., Director, Career and Family Programs.

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CHILD CARE TASK FORCE
State House Station 11
Augusta, Maine 04333
Tel.: 207 — 289-2971

State of Maine
Department of Human Services
Michael R. Petit, Commissioner

State of Maine
Department of Educational
and Cultural Services
Robert E. Boose, Commissioner*

A 1981 Department of Labor report indicated that 53% of children in the United States have working mothers and a Bureau of Census report shows that 7 million children are without identified child care. 1980 Maine census figures indicate that there are approximately 25,055 households headed by single parents.

The Federal Government has increasingly withdrawn its support of a national policy toward child care.

The Maine Child Care Task Force, co-sponsored by the Department of Human Services and Department of Educational and Cultural Services was convened in September 1983. The Task Force is a committee of volunteers comprised of public and private child care providers, consumer groups, business representatives, educators and others with an interest in this issue.

The goals of the Task Force are to determine the unmet need for child care in Maine and to make recommendations by September, 1984, regarding improvements in policies and programs which affect the care of children. We are examining innovative ways in which existing public and private resources can best be utilized to improve and expand the child care available to Maine parents.

The Task Force is chaired by Sharon M. Lunner, Chief Executive Officer, of the Finance Authority of Maine; staff assistance is provided by Barbara R. Collier of the Department of Human Services.

The Task Force has formed four subcommittees, each exploring a specific issue of child care: 1) Needs Assessment Survey; 2) Employer-Supported Child Care Options; 3) Program: The Supplemental Enrichment Role of Child Care; and 4) Role of the Schools (Education).

After six months of examination of the issues, the Task Force will conduct five statewide public hearings on Tuesday, May 1, 1984 at locations in Augusta, Bangor, Caribou, Lewiston and Portland. The Committee is seeking public response to its preliminary areas of investigation and suggestions from the Maine community reflecting its child care needs and problems. Enclosed is a copy of the notice or invitation to these hearings with more detailed information on times and places, as well as full outlines of subcommittees' preliminary areas of investigation.

Following are highlights of subcommittee activities:

Survey Subcommittee

-- Subcommittee developed, in conjunction with MAINEPOLL of Orono, a telephone survey to determine the unmet statewide need for child care.

-- Subcommittee will develop an accompanying narrative for inclusion in the final report.

(Please see enclosed press release describing salient findings from the survey.)

Employer-Supported Subcommittee

-- Subcommittee plans for a breakfast meeting with CEO's of Maine's major companies to:

- educate on child care and employer-supported options
- learn businesses' experiences in assisting employees with child care problems as well as their perception of need for employer-supported options.

Program: The Supplemental Enrichment Role of Child Care Subcommittee:

-- Subcommittee has surveyed all licensed and registered child care providers to determine numbers of special needs and school-age children served and barriers to these services.

Role of the Schools (Education) Subcommittee

-- Subcommittee sponsored a Workshop on School-Age Child Care featuring consultants from Wellesley College for citizens interested in learning more about setting up programs for school-age (latchkey) children on January 3, 1984.

-- Subcommittee has conducted a statewide survey to determine child care needs as perceived by school administrators.

The Task Force plans to review and consider all suggestions and comments from the public. The final report to the Commissioners of the two sponsoring Departments will, hopefully, call attention to the child care needs of the Maine community and offer recommendations which will effectively improve the quality and quantity of child care in Maine.

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CONTACT: Sharon Mitchell Lunner
Task Force Chairperson
Finance Authority of Maine
P.O. Box 949
Augusta, Maine
Tel: 289-3095

or

Barbara Collier
Task Force Staff
221 State Street
Station 11
Augusta, Maine
Tel: 289-2971

SUBJECT: Statewide Child Care Needs Assessment Survey

Close to 25,000 Maine children age 6 through 12 spend an average of more than four hours caring for themselves during a typical week, a survey on Maine child care needs indicates. Among these are children who return to an empty house after school, so-called "latch-key children."

The survey, the first of its kind in Maine, also estimated that 500 children age five or younger spend some time during a typical week caring for themselves. Another 2,500 children under age three and 1,000 children age 3-5, were sometimes left at home alone with only a neighbor or friend looking in to check on them; 8,500 6 to 12 year olds were cared for in that fashion.

The scientific survey, accurate to within plus or minus 4.4% for all children 12 or younger was conducted during the period January 20 through March 2 for the Maine Child Care Task Force, co-sponsored by the Department of Human Services and the Department of Educational and Cultural Services, which commissioned the work by MAINEPOLL of Orono.

"The survey is an extremely important benchmark from which we can work and begin to develop recommendations to include in our report this fall on Maine child care needs," said Sharon Mitchell Lunner, Chief Executive Officer of the Finance Authority of Maine and Task Force Chairperson.

"Prior to this survey, there was no accurate information concerning the exten. of child care needs in Maine," Ms. Lunner said.

The survey "shows the extent of child care needs in the state to be even greater than we anticipated. The survey shows not only a large demand for additional services, but also shows how lack of available or affordable services has economic ramifications for families and the economy of Maine."

The survey showed that 134,000 Maine households -, or about 32% of all households n the state, have young children in the age 12 or younger category.

Of the households with young children, more than two-thirds of those who make care ecisions for the child (typically the parents or parent) work or are looking for work.

The survey found a large percentage of parents want more child care available ither in school, or in programs outside of school, or both. More than 40% of the orking parents missed at least one day of work in the past year because child care s not available; the lost work represents between $3.7 million and $8 million in ges.

Nearly 20% of the working parents said they would work more hours if adequate, ffordable child care was available. More than 25% of the non-working parents said ey would work if such care was available.

The survey found that in nearly 25% of all households with young children, one more of the adults was forced to quit work, was unable to take a job, or was able to continue training or education because of lack of child care.

Much of the "child care" reported during the survey period, particularly for the 12 year olds, was in school. Mrs. Lunner said she would expect to find that child re may be more of a problem, particularly for working parents, during times when hool is not in session.

Among the key survey findings:

-- Few children 5 or younger (4%) have a teenage brother or sister to look after them.

-- Virtually no children age five, and only 21% of those age 6-12, spend any time in before or after-school programs in the schools.

-- More than one third of the children age 12 and younger were looked after part of the week at the home of a relative or good friend; about 8% were cared for at the home of someone other than a friend or relative.

-- Nearly one-fourth of the children were looked after in their own homes for part of the week by someone age 17 or younger.

-- More than 20% of the parents with children age five or younger, representing nearly 20,000 children, desire more programs such as day care or preschool.

-- 33% of the parents with children age 5-12 (representing 45,000 children) want more before or after-school child care in the schools, and 29% want more programs outside the regular school.

-- Over half of the households with children under 13 had to pay for child care in the typical week.

-- In 12,000 Maine households the money spent for child care was estimated to be more than 10% of the household income.

These statistics will be an important point of discussion at statewide public hearings on child care the Task Force will conduct on May 1 at locations in Augusta, angor, Caribou, Lewiston and Portland.

Prepared Statement of the Children's Defense Fund

SUMMARY OF POLICY RECOMMENDATIONS

Targeted initiatives to improve access to child care for children and families not effectively reached by existing child care programs.

1. Establish a program to provide child care support for low income women enrolled in job training programs, community colleges, vocational schools or institutions of higher education in order to expand their employment opportunities.

2. Establish federal incentives to encourage an expanded role for public schools in helping to meet the child care needs of a wide spectrum of parents.

   a. Provide funds to communities to establish school-age child care programs and to enable low-income families to receive support necessary to afford these services.

   b. Establish a funding stream for school-based child care programs as well as family day care networks which can provide child care and support services for adolescent mothers.

   c. Establish a research and demonstration program based in public schools to help shape child care programs for four-year-olds.

3. Establish a funding source for child care for children with special needs as well as sick children and migrant and Indian children.

4. Establish a Commission to study and make policy recommendations on how to fund maternity-paternity leave for low-income parents and to support personnel policies and practices that are sensitive to the needs of working families.

Strategies to improve the ability of existing programs to expand the availability of child care for lower and moderate income families.

1. Increase the ceiling for the Title XX Social Services Block Grant and create a child care set-aside.

2. Expand the sliding scale and make the Dependent Care Tax Credit refundable.

3. Pass legislation to improve the Child Care Food Program which includes at a minimum restoring the five meal pattern to the Child Care Food Program.

Proposals to improve the quality of child care services.

1. Establish a federal funding source for training and technical assistance for child care workers.

2. Establish a federal funding source for support to family day care networks.

3. Establish a limited federal funding source which would encourage communities to support child care information and referral programs.

4. Establish a revolving loan fund for start-up, renovation costs and equipment for child care centers as well as family day care homes.

5. Establish a Federal Commission on child care standards to review and evaluate the status of the child care licensing and regulation, to develop models of state regulatory guidelines that meet the needs of children in various child care settings, to provide incentive grants to states which implement model guidelines, and to serve as a source of technical assistance to states and local government to improve their state and local regulatory policies.

The Children's Defense Fund is a national charity created to provide a long-range and systematic voice on behalf of the nation's children. We are organized into four program areas: education, child health, child welfare, and child care and family support services. We address these issues through research; public education; monitoring of federal and state administrative and legislative policies and practices; network building; technical assistance to national, state and local groups; litigation; community organizing; and formation of specific issue coalitions.

We are heartened that the Select Committee on Children, Youth, and Families has provided a forum to discuss the child care problems faced by families.

Many of our children are now cared for by someone other than their parents for significant parts of each day. The care that they receive at critical stages in their development has a direct effect on their future as healthy, productive citizens. The need for a substantial investment in child care can no longer be ignored. This is an important opportunity to explore strategies for helping to shape a child care system that reflects the needs of our families.

Last April, the Children's Defense Fund testified before this Committee to express our concern with the inability of low-income families to purchase affordable, quality child care. Over the past several months, the Committee has heard from child care organizations, providers, advocacy groups, women's organizations, unions, employers, and parents across the country. Witnesses have not only testified about the extraordinary shift in the demographics over the last thirty years showing that the majority of America's mothers are in the labor force, but also about the lack of a child care system to adequately meet the needs of these families. The need is so great that the solutions must be forthcoming from all sectors. The federal government, the states, the private sector and parents must work together to help to fill the gaps in our inadequate patchwork system of child care.

These gaps can be divided into two major areas:

- The need for expanded funding sources to increase the availability of affordable child care for lower and moderate income families;
- The need for initiatives to improve the quality of child care which affects the child care system accessible to all families.

This year, Congress has recognized that the federal government must provide leadership in child care and has taken the first steps by considering several small-scale initiatives such as legislation providing for funds to start or operate Information and Referral programs or to help communities begin and operate school-age child care programs. While these steps are an important beginning, now is the time to be candid about the scope of the problem and the policies necessary to insure that families have access to affordable, quality child care.

To help shape the debate, concerning the components of an efficient, equitable child care system, we recommend a set of legislative proposals. Some of these proposals would require a considerable investment of federal resources while others only involve seed money to stimulate state and local community efforts to improve the quality and quantity of child care. The list of recommendations is lengthy. There is no doubt that a considerable amount of effort is necessary to build a well-working child care system. However, the proposals presented here as a package can be debated and shaped by a number of Congressional committees during the next Congress. They provide a road map ofthe steps necessary to realistically tackle our child care dilemma.

THE ROLE OF THE FEDERAL GOVERNMENT

Proposals to Increase Affordable Child Care

At the federal level, we recommend a two-tiered approach:

- Targeted initiatives to improve access to child care for children and families not effectively reached by existing child care programs. Several of these proposals maximize resources by building on existing institutions.
- Strategies to improve the ability of existing programs to expand the availability of child care for lower and moderate income families.

Targeted initiatives to improve access to child care for children and families not effectively reached by existing child care programs.

1. Establish a program to provide child care support for low income women enrolled in job training programs, community colleges, vocational schools or institutions of higher education in order to expand their employment opportunities.

The inability to locate affordable child care is a major factor inhibiting not only women's employment and training opportunities, but also their ability to participate in federally supported education programs. Between 1981 and 1983, 20 states made it more difficult for mothers in school or training to receive help in meeting their child care needs. Short-sighted state and county rules have always limited child care for mothers enrolled in school or training programs, thus denying them the skills necessary to move out of poverty.

Little regard is given to the importance of continuity of care for children or the realities of the transition process between training and work. The few women that have child care support while they are in training programs face losing that help as they search for a job. For the mothers who are fortunate enough to go directly to work after completing a training program, there is no guarantee that their child care assistance will continue. If they cannot receive help, they face paying child care costs that they cannot afford from low (often minimum wage) salaries or moving their children to less satisfactory child care arrangements, new providers, or friends in order to take advantage of their work opportunity.

If this country is serious about helping women become self-sufficient and economically productive, we must create a program to enable women to have an opportunity to receive training and to go to work without sacrificing the well-being of their children.

2. Establish federal incentives to encourage an expanded role for public schools in helping to meet the child care needs of a wide spectrum of parents. These would include the following:

    a. Provide funds to communities to establish school-age child care programs and to enable low-income families to receive support necessary to afford these services.

Over 60 percent of the mothers of school-age children work outside the home, yet scant attention is paid to the child care needs of school-age children. As many as 5 to 10 million children may be left home in the early morning hours and return after school to darkened houses or empty playgrounds. No one knows the exact figure because parents are hesitant to admit that they leave their children alone.

Recent state surveys on the problem give cause for alarm. Who's Watching Our Children? The Latchkey Phenomenon, a report prepared to provide background for possible school-age child care legislation in California, estimates the numbers of latchkey children in California to be between a low of 620,000 and a high of 815,000. A New York State study points to a survey conducted in 1982-83 of parents of children attending New York City schools. Of the 63,674 families responding, 79 percent expressed a need for an after-school program for their children.

The programs that now offer after-school child care come nowhere near meeting the enormous need. Most of these programs are geared to middle-income families. Lower-income and lower middle-income families do not have the surplus income to pay the extra $15 to $40 a week for these programs. Once a family that is strapped financially and faced with juggling the burden of rising utility bills, clothing and all the other costs of raising children, leaves their children alone, a pattern is often set. Even when an after-school program opens in their neighborhood, they are not likely to change an on-going arrangement and find the extra money for after-school care from a very tight budget.

Because of the competing demand for care for young pre-school children, limited Title XX dollars are now used for before-and after-school care. The federal government can play an important role by providing incentive grants to schools and community agencies to contract with nonprofit and public agencies to operate after-school programs, by ensuring that sliding fee scales lower the cost to working families with limited incomes, and by targeting programs on schools with large populations of low-income children. If H.R. 4193 which provides $30 million for start up as well as operating costs for school age child care programs is not enacted into law this session, we would recommend that Congress continue to work toward the passage of a similar school-age initiative which includes operating as well as start-up costs so that lower and middle-income families receive help in meeting the costs of school-age child care.

b. Establish a funding stream for school-based child care programs as well as family day care networks which can provide child care and support services for adolescent mothers.

Each year teenagers give birth to over 500,000 infants. About 300,000 of these mothers have not completed high school, and without education or training they face the prospect of low paying jobs at best, and welfare dependency at worst.

CDF's first priority is to prevent the first pregnancy. The second priority is to ensure that teens who have already had one child do not have a second child. The third priority is to make sure that these babies who are born to teen mothers get adequate prenatal care so that prematurity, low birth weight, and birth defects are not added to their babies' already stacked deck. Underlying it all is the need to come to grips with the role and future of all young people in our society, their need for adequate skills and gainful employment.

Few supports are available to enable teenage mothers to return to school and to provide them with parenting skills. In a nationwide study of 125 large cities in 1978, the most significant unmet needs for teenage mothers and their babies were facilities, funds, and staff to provide for infant care. Child care is an absolutely essential service if mothers are to be able to complete high school. The schools that do offer child care programs often limit support to the duration of the semester after delivery, leaving mothers to cope with finding child care after a few short months.

In addition to helping young mothers finish high school, child care programs can provide other important kinds of help to them and their infants. For example, babies born to teenage mothers are more likely to have a host of handicapping conditions. Child care may make a critical difference in their ability to overcome some of these conditions and face a more productive future. It can also offer inexperienced adolescent mothers basic skills in parenting and coping.

We propose that several models be supported for programs for pregnant and parenting adolescents. Some school-based programs work well; some community and private programs are very effective as are some social service programs. The most important elements are the provision of comprehensive support services that are easily accessible to the teen; competent, compassionate, and accessible personnel; and continuity of care. High schools are one logical place to locate programs or house family day care networks since students are or should already be there, and child care can be related to the curriculum. Family day care providers can also be effective not only as caregivers but also as counselors and role models for the young girls. All child care programs can also, in addition to providing care and support services, offer the possibility of job training as a child care provider.

c. Establish a research and demonstration program based in public schools to help shape child care programs for four-year-olds.

Educators and elected officials are exhibiting growing interest in the possibility of the public schools serving younger children. Across the country, the beginnings of this concern are evidenced:

- This summer, Texas passed a bill mandating that most school districts (based on a percentage of children eligible for free and reduced price lunch) offer a half-day pre-school program for four-year-olds.
- The Maryland legislature has placed a bill on "summer study" which would mandate a statewide pre-school program for four-year-olds, while the Baltimore superintendent of schools plans to move the school entry level down from five to four and the exit age down to seventeen.
- The governors of South Carolina and Vermont have each proposed a pre-school program for four-year olds.
- This fall, Detroit will be instituting an all day kindergarten program using Title I funds.
- Last fall, New York City offered parents the option of a 3 o'clock kindergarten program. This fall, it is planning to add a model after-school component to several of the kindergarten programs.

For the most part, these initiatives represent only a partial solution or a half step toward meeting the child care needs of working parents.

Given the extreme shortage of affordable and available child care facilities, it is critical that every resource be tapped. While schools represent a logical community resource for providing child care, part-day programs will leave the majority of parents with a logistics crisis in mid-day or encourage younger and younger groups of children to be left alone for the remainder of the working day

If the public schools are to effectively serve young children and their families, key issues which concern the quality of care and the impact of their involvement on working parents and the child care community must be addressed. A demonstration program can provide guidance in evaluating the viability of an expanded role for the public schools if model programs are structured to meet criteria which address these areas of concerns. Issues include:

- The ability of programs to meet the needs of working parents;
- The ability of schools to involve parents;
- The sensitivity of schools to diverse family structures and cultures;
- The importance of curricula that are age appropriate to preschool children;
- The question of credentials required for staff who work with young children in a school setting.

The significant impact on the existing child care system if there is increased school involvement with young children also requires careful evaluation and planning. Will schools bypass providers with skills and experience in working with young children and fill new positions with teachers lacking such experience? If child care providers move into school slots, will sufficient trained providers be available for non-school-based child care programs? Schools are not likely to meet the growing need for infant and toddler care. Will child care centers and family day care providers and Head Start face moving their services down to an even younger population? If so, considerable resources will be necessary to assist in an expensive transition because of the higher costs implicit in caring for younger children.

If model programs which address some of the above concerns can be developed which represent a true partnership between the federal government and state or local education authorities, parents, and the child care community while meeting the needs of young children and their families, a valuable resource will be tapped to make child care more available and affordable to all families.

3. Establish a funding source for child care for children with special needs as well as sick children and migrant and Indian children.

Because of the costs entailed in caring for children with special needs, their parents may desparately need to work. Yet, "the length of the school day and a lack of after school activities prohibit many mothers of handicapped children from participation in employment or educational opportunities. Such women, especially low- or moderate-income women ineligible for welfare support, are thus in a double bind. Because their children often require costly special services and equipment, they have a great need to earn income; however, they cannot earn that income unless after school day care is available for their handicapped children."

Despite its importance, families find it exceedingly difficult to locate appropriate care for younger handicapped children. Many of the Child Watch reports, a monitoring project on the effect of the 1981 budget cutbacks on children and families developed by CDF in collaboration with the Association of Junior Leagues, cited the lack of child care for children with special needs as one of the most pressing child care needs in their communities.

Children who have been abused or neglected also need child care to protect them from further abuse. Getting a child to a safe and secure environment may avoid serious harm to the child. The availability of crisis babysitters, nurseries, or child care centers may prevent the need to place children in more permanent foster care, out of their homes for extended periods of time. Further, if available on a 24 hour basis, day care offers releif for troubled parents when a crisis arises.

Child care can also play an important role in the treatment of some abusive parents and abused children. Parents can watch program staff work with their children and learn alternative ways of coping with the stress that they experience in their childbearing responsibilities. There are over 1 million known abused and neglected children in this country, and the number increases each year. Child care could be a crucial preventive service for many of these children and their parents.

Children in families with an emergency also need child care. Many families do not have access to traditional support systems of extended families or friends. When stress or a change in their circumstances destabilizes the family, they need additional help so that their children do not suffer. The United States has few emergency child care settings that offer 24 hour care for children when a parent confronts an accident, illness, or hospitalization, or is struggling with alcoholism or drug dependency. When emergency care is not available, hassled parents and child welfare agencies may simply place children in long-term foster care.

With few exceptions, organized child care programs are unable to accommodate children who are not well, leaving parents less than satisfactory choices: Parents can stay home to care for their children using vacation and their own sick days; they can stay home and lose pay; or they can go to work, keeping an older sibling home or leaving the sick child home alone. The other limited options, such as a babysitting service which charges from $5 to $7 an hour, are prohibitively expensive for most families.

Many parents work night shifts and odd hours. Yet the typical child care program is open from 7:00 or 8:00 a.m. to 6:00 p.m. The most convenient option is to leave very young children unattended.

Indian and migrant families, because of their cultures and living and working arrangements, also have an extremely difficult time locating affordable child care convenient for families. They are sometimes forced to make painful decisions such as sending children to live with grandparents or taking them along to the fields.

4. Establish a Commission to study and make policy recommendations on how to fund maternity-paternity leave for low-income parents and to support personnel policies and practices that are sensitive to the needs of working families.

One of the greatest if not the largest unmet demand for child care is from parents of children under age three. Women with children of this age are the fastest growing part of the labor force--the proportion of these mothers in the labor force has increased from 34 to 46 percent since 1975. Infant care is not only in short supply but is often prohibitively expensive because of the attention newborns require. Center based care runs as high as $200 a week. "The routines of infant care--feeding, bathing, diapering, and comforting--are communications of utmost importance to the baby's cognitive, emotional, social, and physical development. It is through these routines that the first human relationships are formed. When they are performed with sensitivity to the infant's individual rhythms and needs it is more likely that the individual will develop well. Perfunctory care or neglect may result in intellectual and physical stunting. The formation of living attachments in the earliest years of life creates an "emotional root system" for future growth and development. Every child needs a solid relationship with one or two people in the family. If part of the child's care occurs outside the family, the infant or toddler also needs a continuous, affectionate relationship with a main caregiver during the years of infancy and toddlerhood--a caregiver who operates with the family on behalf of the child."[1]

An important step in helping to meet the growing need for child care is for the federal government to take the lead in developing three essential mechanisms: paid disability leave which is adequate to cover women during pregnancy and childbirth, adequate child care leave so that mothers or fathers may care for their newborn or newly adopted children, and adequate dependent sick leave so that mothers or fathers may care for ill children.

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[1] Who Will Mind the Babies, a public policy paper of the National Center for Clinical Infant Programs, p.4 and 5.

Given the complexities and cost implication of establishing such mechanisms to allow for parental leave, a Commission would insure that the fiscal and societal impact of any recommendations could be adequately evaluated and substantiated.

- Strategies to improve the ability of existing programs to expand the availability of child care for lower and moderate income families.

1. Increase the ceiling for the Title XX Social Services Block Grant and create a child care set-aside.

Currently, the Title XX Social Services Block Grant, the largest source of direct federal support for child care is funded at $2.7 billion, $600 million less than its funding level would be if it had not been cut 21 percent in 1981. Even before the cuts, Title XX had experienced minimal increases since it was first authorized in 1976. Between 1976 and now prices have increased by 79.1 percent. The United States population has increased by 8.4 percent. In order for the real per capita value of the federal contribution to social services to have remained constant since 1976, Title XX monies should have increased by 94.2 percent. They have actually grown only 9 percent.

If inflation is taken into account, the FY 1984 authorization for Title XX should be $4.5 billion. Furthermore, if population changes are considered, the level would have to increase to $4.9 billio

In order to help a broad group of families, a significant increase for direct subsidies must be added to the Title XX Social Service Block Grant. Prior to 1981, Title XX's income ceiling was 115 percent of a state's median income. With limited dollars, states are only able to offer to help families at much lower income levels. Most states offer services at a cut-off point nowhere near the 115 percent of their median income. A substantial increase in Title XX coupled with increased state dollars would allow states to serve low and lower-middle income working families who cannot significantly improve the quality of child care they can afford without a direct subsidy.

Title XX is a flexible funding source for child care which allows states to tailor programs to suit their particular child care framework. However, the proportion of Title XX dollars targeted for child care has decreased from approximately 22 percent in 1979 to approximately 16 percent in 1984. The compelling need for increased child care supports the imposition of a set aside specifically for child care which would mandate that at a minimum a fixed percentage of the Social Services Block Grant be targeted to child care services.

Tax Policies

Currently, a family can receive help in meeting its child care needs either through a tax credit or by having its salary reduced to lower its taxable income. We urge the Committee to closely examine the feasibility of a tax approach to child care subsidy to low and lower-middle income families as well as the equity implications of a relatively new approach which involves a subsidy to families through salary reduction.

2. Expand the sliding scale and make the Dependent Care Tax Credit refundable.

The Dependent Care Tax Credit, which is our largest child care program cost the federal government almost $2 billion in 1982. It is available to all families regardless of income and provides an important universal support. However, because it is not refundable and because expenses for child care depend on the size of a family's disposable income, it does not significantly improve the child care purchasing power of lower-income families. A single mother earning $10,000 would have to pay approximately 25 percent of her income or $2,400 to receive the maximum 30 percent credit of $720. In many areas of the country, $2,400 no longer buys center based care or family day care for infants or toddlers or even pre-school children. More importantly, this $2,400 is almost three times as much as the level--10 percent of income-- that is considered reasonable for child care expenses according to experts in the field.

Since the tax credit was enacted in 1976, Congress and several administrations have been extremely reluctant to support efforts to make the credit refundable. Even with refundability, a tax credit approach to subsidy is not enough by itself to improve the ability of lower-income families to purchase quality child care nor to foster an improved and more efficient child care system. Because the amount of the credit is based on the amount that a family is able to pay for child care, it may be that other tax initiatives which are not dependent on an out-of-pocket expense such as an expansion of the Earned Income Tax Credit would provide more targeted assistance to lower-income working families. Those families would receive more help in purchasing child care through a direct subsidy such as Title XX.

During the last session of Congress, bills were debated which would expand the sliding scale to 50 percent. Such an expanded scale without a refundability provision does not effectively help lower-income families. Refundability is not only necessary for low-income to have equal access to the credit, but also for lower-middle income families to be able to fully utilize the expanded benefits that would accrue of the scale slide were increased from its current maximum of 30 percent. Consider a two-parent household with two children earning $14,999 a year. They have child care expenses of $2,300; one child is enrolled in a full-day program while an older child benefits from an after-school program. This family would receive an increased credit of $460 if the sliding scale was expanded from 30 to 50 percent. Without refundability, they would lose $168 of their new benefit due to their limited tax liability.

3. Place a cap equivalent to the maximum expenditures allowable under the dependent care tax credit on the amount employers can set aside through salary reduction to help employees meet their dependent care expenses and insure that the credit and salary reduction are taken as integrated rather than separate benefits.

Current policy allows employers to reduce an employee's salary by the amount of dependent care expenses the employee incurs--regardless of the amount. This allows families in a high tax bracket to receive a higher subsidy from the federal government for their child care costs than is available to lower and middle-income families. Neither the dependent care tax credit, Title XX, nor the Child Care Disregard provides support equivalent to the amount potentially available to higher income families through salary reduction. Under the dependent care tax credit, families can claim a tax credit of at least 20 percent of dependent care expenses of up to $2,400 for one child or $4,800 for two or more children. Thus, a family with $2,400 of expenses is allowed a tax credit of $480 for one child. If they have $4,800 of child care expenses for two or more children their credit is $960. If a family earning $10,000 a year spends about half of its income for child care, they can claim the maximum 30 percent credit or $1,440. In contrast, a family earning enough to be in a 50 percent tax bracket who hires a caregiver for $10,000 per year can reduce their salary by $10,000 and receive a $5,000 subsidy to help them with child care expenses.

To remedy this inequity, we propose that the maximum amounts that can be taken through salary reduction be equivalent to the limits under the dependent care tax credit which are $2,400 for one child and $4,800 for two or more children. We further propose that if a family whose child care costs exceed these amounts takes the maximum benefit through a salary reduction plan, it not be allowd additional support by taking a federal tax credit on the remaining costs.

It may be that the ceiling imposed for the dependent care tax credit no longer reflects the market rate for child care. In order to remedy this gap, the $2,400 and $4,800 should be adjusted accordingly as opposed to allowing a higher benefit for only those families who can take advantage of salary reduction.

4. Pass legislation to improve the Child Care Food Program which includes at a minimum restoring the five meal pattern to the Child Care Food Program.

The Child Care Food Program is a very important child care program as it helps to defray the costs of meals provided to children while they are cared for in day care centers or family day care homes. Meals are served to over 1 million children, about 70 percent of whom are low-income. In FY 1982, the Child Care Food program (CCFP) was cut by 30 percent, or nearly $130 million a year. Child care centers and family day care homes can now serve only two meals and one snack a day, no matter how many hours the children are kept in care. CCFP costing almost $400 million is actually the second largest child care program, providing support to child care centers and family day care homes. It should offer the assistance that reflects the nutritional needs of very young children.

One of the most significant cuts affecting the availability of adequate food to children was the loss of both a meal and a snack. Since young children eat smaller amounts, the snacks are important to their diet because they usually do not consume large quantities at a single sitting. The programs most affected by the reductions in meals are centers that care for children for 10 to 12 hours a day and who provide them with the bulk, if not all, of the meals they receive each day. Many of the programs serve large numbers of children from working poor families who travel long distances to work. They have no choice but to leave their children for a longer time in a child care setting.

Given the importance of good nutrition in a child's key developmental period, it is vital that CCFP provide support for the meals and snacks that young children need during a long day.

Proposals to Improve the Quality of Child Care Services

The quality of child care is influenced by many factors. We have attempted to isolate several key areas where we believe federal support would make a major contribution to improving the child care available to all families.

1. Establish a federal funding source for training and technical assistance for child care workers.

Training in early childhood education has been strongly associated with more positive and stimulating behavior on the part of caregivers both in child care centers and family day care homes.

The National Day Care Study found after observations in several hundred classrooms that in classes supervised by teachers who had "child-related education/training the children show more cooperation, attend longer to tasks and activities and are less often non-involved than is the case where teachers do not have such training. The children also do better on a measure of early achievement.

Similarly, Family Day Care in the United States, a comprehensive national study of day care homes, analyzed the effects of experience, education, and training on family day care providers. Care givers "who had some child care training tend to display more teaching, language/information activity, music/dramatic play, and comforting."

Training funds to improve the skills of child care providers are rapidly disappearing. The Title XX Training Program was totally eliminated by the Omnibus Budget Reconciliation Act in 1981. Between 1981 and 1983, 24 states reduced their Title XX dollars targeted for training. Federal funds for the Child Development Assessment (CDA) and Credentialing Program were cut in half in 1982 and are slated to be completely phased out by 1985 unless legislation authorizing Head Start and mandating continued federal funding for CDA is passed. Because of these cuts, CDA candidates will have to pay a substantially higher fee in order to be certified. Given the exceptionally low salaries of child care workers, many will undoubtedly elect not to seek certification, diminishing their incentive to obtain training.

If the quality of child care is to be enhanced and maintained, federal funds must be made available to train caregivers in both centers and family day care homes.

2. Establish a federal funding source for support to family day care networks.

Over 50 percent of children are cared for in a home setting, including the majority of infants and toddlers. Parents often prefer to have their younger children cared for in a home as opposed to a more formal setting. Child development experts feel that younger children do well in smaller groups, which are more typical of home than center based care. The extraordinarily high costs of center based infant care also deter most families from seeking this option. Family day care is often less expensive even for preschool children. Furthermore, the costs of family day care are more likely to be adjusted according to parents' work schedules which makes it more affordable and available for parents working part time or intermittently. Because of the cost differential, family day care is the major source of child care for hard-working families.

Family day care providers are more flexible and are often able to serve the needs of parents who work odd hours or who frequently change shifts. A Child Care Coordinating Agency in Louisville, Kentucky highlights why such flexibility is important to working parents:

> "Last year, 4-C assisted a distraught parent in finding child care to fit her nurse's training schedule. She was a single parent needing care beginning at 5:30 a.m. for six-week shifts which alternated with six-week shifts scheduled from noon to 8:00 p.m. She stressed that she would have to drop out of nurse's training if affordable child care that could accommodate her schedule could not be found. A family day care home under CCFP sponsorship was able to provide the flexible care she needed. Today, she is a registered nurse working at a local hospital, earning over $10.00 an hour.
>
> Family day care provides before and after school care, ensuring that children get to and from school safely. These children have care available when schools are closed for holidays or bad weather. In Louisville, children attend half-day kindergarten sessions, either in the morning or afternoon. The family day care provider is especially important to these families. She makes sure the children are picked up and delivered by the school buses according to schedule. She also arranges to serve lunches at different times to accommodate children leaving at 11:30, and arriving at 12:30."

Family day care providers work, usually by themselves, 12 to 14 hour days caring for children, 5 or 6 days a week. This is a very difficult, emotionally stressful, and physically exhausting job. Eighty-seven percent of family day care providers earn below the minimum wage.

Limited federal or state dollars are targeted at improving the quality of family day care or providing supports to providers. Family day care networks offer a framework not only for the provision of child care subsidies but also for the provision of support and technical assistance to family day care providers, children, and families.

Networks are important for multiple reasons. They not only reduce the isolation of caregivers but also increase the accessibility of family day care to families needing care. The support services they offer to providers and families are intimately linked to the quality of care. Family day care networks can provide training and a range of services including medical and dental screening, emergency care, nutritional assistance, and referral to other organizations. They can offer relief to providers by arranging substitute care for sick days and vacation and companionship through training and field days. These networks have a significant impact on the quality of care.

The National Day Care Home Study found that family day care systems promote quality care by maintaining enrollment levels that are desirable for caregiver and children; monitoring compliance with federal, state, and local regulations; providing training and technical assistance to caregivers, and by offering a vehicle for parent involvement. It also reported that providers from sponsored homes spend significantly more time interacting directly with children.

The majority of Title XX funds are used for center based care. It is necessary given the role that family day care plays in our child care system to target a separate federal funding source for family day care networks. The Study recommends "that the development and expansion of family day care systems be emphasized as one of the principal means of providing subsidized day care in a family day care setting."

3. Establish a limited federal funding source which would encourage communities to support child care information and refferral programs.

The patchwork child care system that has evolved in this country, including public and private programs provided by groups in both centers and family day care homes, makes it difficult for parents to easily locate child care arrangements that suit their particular needs. Until recently, many telephone directories did not even include a listing for day care. Family day care homes, which provide care for the majority of children, are not listed in the yellow pages. Families rely on friends, neighbors, and supermarket bulletin boards to locate care. Currently, there are only about 200 information and referral programs in 36 states and the District of Columbia. Over 50 of these programs are located in California, which offers considerable state funding targeted to information and referral.

Information and referral programs not only help parents sort through their community child care maze to find child care, but also provide other valuable services which strengthen a community's child care system. Most importantly, information and referral programs can help to improve the quality of care. They assist parents in learning what to look for in a child care arrangement creating a subtle pressure on providers to comply with better educated consumers. Many child care information and referral centers provide technical assistance to providers -- publish a newsletter, provide ideas for educational activities for children (operate toy and book lending libraries), supply ideas for nutritious snacks, offer help in complying with state and local health and safety standards, and advice on how to obtain insurance. Parents also come to rely on I and R a support service.

In addition, these programs can be of invaluable assistance in documenting the need for care in their community by carefully compiling the various requests that come in and matching them against the supply.

A federally funded Information and Referral Program would be an important stimulus for communities to put this key child care service in place. Federal funds should be available as seed money to non-profit agencies to begin or to expand information and referral programs which cannot only provide help to both working and non-working parents in finding child care but also offer the essential services discussed above.

4. Establish a revolving loan fund for start-up, renovation costs and equipment for child care centers as well as family day care homes.

High interest rates and the lack of collateral make it exceedingly difficult for new child care programs to amass the resources necessary to get a new facility off the ground or to renovate existing facilities. Only two states have a revolving loan fund to help solve this problem. The federal government could provide a stimulus to more states to fill the gap by creating a loan fund to be matched with state dollars for start-up costs, innovations and equipment.

Child care programs operate on very tight budgets. Approximately 75 percent of costs are for staff. There is no give in this area as child care providers earn minimal wages. Once in operation, many programs are stretched to the limit and find it difficult to afford new equipment or materials. The Child Care Food Program had a small amount of funds, $4 million, targeted for the purchase of new or replacement of worn-out equipment necessary for preparing meals. When the Equipment Assistance Program was eliminated in 1981, child care providers were left with no source of support in this essential area.

5. Establish a Federal Commission on child care standards to review and evaluate the status of the child care licensing and regulation, to develop models of state regulatory guidelines that meet the needs of children in various child care settings, to provide incentive grants to states which implement model guidelines, and to serve as a source of technical assistance to states and local government to improve their state and local regulatory policies.

State licensing standards vary widely not only in areas such as basic health and safety requirements but also in staff-child ratios, parent access to facilities, criminal record checks, and curriculum requirements. Licensing in many cases assures only a bare minimum quality of care. In many instances, standards appropriate to areas such as school-age care, part-time care, and nighttime care are not in place. Given the limited dollars for enforcement as well as the cutback in federal dollars available to child care, many states are forced to make difficult choices between serving children, weakening licensing and regulatory requirements or cutting back on staff assigned to these functions. The result has been more programs monitored by fewer staff. At the same time, there has been a considerable increase in the number of complaints logged with state and local licensing agencies over the last few years. The field is also marked by a wide variation in state and local building and land-use codes, deed restrictions, and zoning regulations, which often unnecessarily hinder the operation of both center and family-based care. Family day care is too often treated as an institution rather than a home and not permitted in zones in which residential occupancy is permitted.

In order to expand the supply of quality care, it is imperative that an analysis of these various standards be conducted and that communities have available model guidelines and technical assistance to help improve regulations affecting child care at all levels. In order to encourage the adoption of model guidelines and to help provide the necessary funds for their implementation, incentive grants should be offered to states which revise licensing laws to parallel the guidelines.

State and Private Sector Policies

Obviously, the solution to the significant gap in child care services must be a shared responsibility between parents, the federal government, state government, and the private sector.

State Policies

Many of the federal level activities discussed can be initiated with or supplemented by state funds. States need to implement policies that address both the need for expanding the opportunities for low-income families to afford child care as well as improving the quality of care and the efficiency of the current child care system. The following represents a number of policy alternatives for states to consider. CDF would be pleased to provide the Committee with more details about these proposals.

Direct Services

- States can allocate targeted state funds to supplement the Title XX Social Services Block Grant for child care.
- States can implement policies such as sliding fees that ensure continuity of care for children once they enter the system.
- States can ensure that an adequate share of the 30 percent of Jobs Training Partnership Act funds reserved for administrative and support services are targeted to child care in order that women can benefit from training opportunities.

Support for Parents and Providers

- States can enact legislation supporting resource and referral programs, which help to maximize the use of a community's existing child care resources and improve the quality of services.

- States can allocate funds for training programs for their care providers.
- States can allocate funds for child care programs offering nighttime care and care for sick children, migrant and Indian children, handicapped children, children with limited English language proficiency, and other special needs populations.

Infant Care

- States can establish paid paternity benefits as part of statewide temporary disability insurance programs.
- States can provide additional reimbursement to family day care providers as well as child care centers for infant care.

Other State Policies

- States can serve as model employers by offering dependent care as a benefit or on-site to state employees, creating flexible benefit policies so that families with young children can select dependent care as a benefit, and instituting employment policies such as flex-time, job sharing, and leave to care for sick dependents. Adequate benefits should be made available to employees choosing other than traditional full-time work arrangements.
- States can consider establishing a Governor's Advisory Committee on Child Care.

Licensing and Standards

- States can adopt strong licensing requirements for child care facilities and provide adequate funding for the enforcement of standards. Appropriate standards should be developed for infant, school-age, and drop-in care.

- States can require family day care to be treated as a customary home occupation in local zoning.

Tax Policies

- States can enact dependant care tax credits or improve their existing credits or deductions so that at a minimum they parallel the federal credit and are refundable.
- States can amend tax laws to bring them into line with federal tax provisions that allow child care to be treated as a non-taxable benefit.

AFDC Policies

- States can give families receiving AFDC a choice between Title XX subsidized care and the child care disregard as opposed to limiting families to the disregard.
- States can supplement the AFDC child care disregard beyond the $160 a month federal limit and ensure that mothers working in training part time receive adequate support in meeting their child care needs.
- States can ensure that mothers with young children are not made to participate in workfare programs without adequate child care and other supportive services.

Schools

- States can support the use of public education funds and facilities for child care services for school-age children.
- States can allocate state funds to support kindergarten programs.
- States can fund programs which establish child care programs for preschool children based in public schools.

Private Sector

We urge the Committee to encourage the private sector to expand its commitment to helping families meet their child care needs. The Committee should consider the recommendation of groups with particular expertise in the area of employer related child care. However, we do not recommend new tax incentives to stimulate further efforts. If a corporation establishes day care to increase productivity, start-up and operating expenses are legitimate, fully deductible business expenses. In addition, a corporation may file for tax-exempt status, provided that its day care center is incorporated seperately and is open to the community as well as employees. In this case, corporate contributions may be claimed as a charitable tax deduction. The cost of child care now provided by the employer under a "dependent care assistance program" is not taxed to the employee. Money provided for child care by the employer is not subject to employment taxes or social security. The employer under such a plan may actually provide child care services for its employees, may simply reimburse employees for child care expenses, or may provide the benefit as most are doing through salary reduction.

Employers cannot only help their own workforce with their child care needs but also, through collaborative ventures, support efforts to improve and expand their community's child care systems. One such example is provided by the Child Care Coordinating Council and Portland State University's Regional Research Institute for Human Services, which is seeking to convince 40 Portland, Oregon area employers to collaboratively purchase child care information services for their employees. The effort is designed to create a resource that can be used by all of the city's residents.

Minneapolis, MInnesota presents a similar model. Honeywell has been instrumental in bringing together 11 companies to set up a computerized I and R system that identifies child care programs throughout Hennepin County. The service, operated by a nonprofit agency, is open to the entire community. Once Honeywell revealed its interest in the community child care problem the company's internal women's committee became involved. A survey of 1,200 employees was conducted: 25 percent reported having serious child care problems; 26 percent reported that 61 percent of their absences were related to child care programs. Honeywell contributed $25,000 to the start-up phase of the countywide system. The first year cost was $100,000, two-thirds of which involved the design and development of computer hardware and software to handle the information. Support for an Information and Referral program may for many employers represent the most comfortable beginning step into child care.

The Corporate Child Development Fund, based in Austin, Texas, presents the only significant model of corporate involvement in child care which leverages dollars to expand opportunities for low-income children outside an employer's corporate sphere. Funded primarily by Levi-Strauss, the Fund was established to raise Texas corporate dollars to be used as the local match for rural low-income child care centers. Established in 1979 by 1982 the corporation had raised $300,000 from nearly 30 corporations with plants, offices, or other facilities in Texas and used it to generate another $900,000 in federal and state funds funneling them to 17 child care programs serving some of the poorest children in the most isolated and economically depressed areas of the state. It would be exciting if other groups could replicate the Fund's unique approach to corporate child care support.

We are concerned that salary reduction, which is most beneficial to employees in higher tax brackets, not take over the field as the predominate method of providing direct support to employees.

An on-site program is an ambitious venture and requires a work force that can fill a significant number of slots. For those interested in the on-site approach, it is critical that a sliding scale be in place so that the center can be utilized by employees at all income levels. Two models of employer-supported care are less ambitious and offer support to the existing child care delivery system within a community. The voucher approach is typified by Polaroid in Boston, Massachusetts, which subsidizes a percentage of an employee's child care costs at any licensed family day care home or center. This allows parents more options in their child care choices in terms of both location and type of program they might prefer. A vendor payment plan is similar to a voucher program. The principal difference is that the company pays the off-site vendor or child care provider directly as opposed to subsidizing the employees. Both of these approaches can support family day care as well as center-based programs.

Business can also respond to child care needs through less direct approaches which, although they do not help lower paid employees cope with the high costs of child care, may minimize pressures on working families. Included in this category are flex-time, part-time work and job sharing, and the compressed work week. Each of these work patterns allows employees freedom to accommodate the often conflicting pressures of work and family life. A 1979 survey of companies with flexible time indicates that these programs result in increased employee morale, lessened stress, and greater opportunity for parents to handle the conflicting demands of family and work. A study conducted by the American Management Association estimates that flexible time may increase employee productivity 5 to 15 percent.

Liberal parental leave of absence policy is another option. American Telephone and Telegraph Corporation replaced its maternity leave plan with a new anticipated disability program. In cooperation with the Communications Workers of America, AT&T has devised a program which allows new mothers or fathers to take up a six months unpaid leave for the care of a new born infant. This program also allows pregnant employees to receive as many as 52 weeks of half pay if they have been certified disabled by a doctor. In addition, it provides release time for parents planning to adopt an infant. Again, paid leave is necessary if low-income workers are to be able to take even a minimal six weeks to be with their newborn infants.

In closing, we are appreciative of the Committees special focus on child care and look forward to the recommendations that will follow your hearings which have allowed a wide range of groups across the country to provide valuable insight on the gaps in our current child care system.

PREPARED STATEMENT OF JAMES A. KRAUSKOPF, COMMISSIONER OF THE HUMAN RESOURCES ADMINISTRATION OF NEW YORK CITY

I am James A. Krauskopf, Commissioner of the Human Resources Adminstration (HRA) of New York City. I am pleased to have this opportunity to appear before you today and share with you what we believe are some innovative ways to improve the delivery of child care services. New York City operates the largest municipal day care program in the country. Our service population is second only to the state of California, reaching approximately 68,900 children every year.

At any given time during the year, our day care program serves 41,700 children through a variety of programs. Most of the children, 32,750, attend group day care. Family day care, which serves up to 6 children per licensed private home, serves an additional 5,780 children at any given time. Although we purchase a small number of places in privately supported day care programs, all of our 381 programs are provided by non-profit sponsors. Over two-thirds of our children are pre-schoolers and the remainder are school age. The total cost for day care in New York City was $181.1 million in City Fiscal Year (CFY) 1984.

We also administer the City's Head Start program, which serves an additional 11,740 preschool children in CFY 1984. This program is supported by $35.5 million in federal funds. Our Head Start and day care services are multi-cultural, including programs for Chinese, Haitian, Hispanic and Hassidic children.

We have maintained our day care program despite major cuts in federal funding. As a result of the Omnibus Budget Reconciliation Act of 1981 (OBRA), which cut funding by 25 percent for the Social Services Block Grant, New York City has had to use its own funds to make up for the shortfall. Since Federal Fiscal Year (FFY) 1981, we have spent over $47 million in City funds to maintain our day care program at 41,000 slots. We are proud of our record and are eager to work with you to search for ways to improve and expand day care for all children in need.

I also want to emphasize that day care in New York City is not just babysitting; it is a quality program offering diverse services to children. Even in the face of reduced federal funding, we have refused to cut back on program quality. Child development is an important aspect of the service we provide. Children graduating from our child care programs usually have acquired reading, writing, and mathematic readiness skills, as well as the self-confidence and independence that will help make them successful students. These achievements require trained staff. Our licensing standards require certified teachers to conduct classes in our group day care programs. Each of our group day care programs also has a certified teacher who serves as an Educational Director to supervise the center's educational program component.

Our family day care providers must also be licensed. We work with providers to develop an educational program within each home that meets the needs of the specific ages and levels of development of the children in care. In New York City, we have invested in quality day care, which we believe is critical to the well-being of our children and society.

The issue we face today is how to increase access to affordable day care while continuing to maintain quality service. The demand for day care continues to grow as an increasing number of working one and two parent families need the service to obtain or maintain their economic self-sufficiency. We estimate that currently there are about 133,000 income eligible children in New York City who do not receive publicly funded day care.

Our program serves children of working parents who meet our income requirements (115 percent of the State median income) as well as children of AFDC recipients who are working, looking for work or in training. Children who are abused, neglected or at risk of foster care placement are also given priority service as a measure to prevent foster care placement. However, over 75 percent of our families are using day care to achieve or maintain economic self-sufficiency. Nearly 50 percent of the parents in our program are working, 11 percent are seeking employment and an additional 17 percent are in school or vocational training.

The need for day care is growing because the number of women in the work force and the number of households headed by single women continue to climb. Between 1970 and 1980, the workforce participation rate of New York City women with preschool children increased from 21.5 percent to 27.7 percent and the participation rate for women with school-aged children increased from 44.6 to 50.5 percent. Of critical importance, is the fact that an increasing number of these households are moving into poverty. Of those New York City families in poverty, 69 percent are headed by women.

We must redesign our policies on children so that child care services become an integral part of the workplace and community. Child care is a necessity for families where both parents work or where the single head of the household works. Informal sources of child care through relatives and friends are simply not available to all who need the service. The cost of child care services is not a burden to be avoided, but rather an investment that will yield benefits for us all in terms of improved child development, increased productivity and increased generation of tax revenues. Moreover, as we establish a service level commensurate with need, we must also maintain high quality care. A government that endorses and praises the Head Start program for its ability to foster child development and improve school performance cannot abandon comparable child care services for other children who spend more time per day in our care than do Head Start children.

Obviously, implementation of this policy will require additional funding. But it also requires creative thinking so that available funds are spent in ways which maximize services that can be provided. I would like to describe how we are increasing sources of private funding to supplement child care programs. I would also like to share with you ways in which we have tried to make child care more accessible to underserved populations in New York City by the creative use of additional federal funds.

I think our experience shows that pursuit of private funding to supplement the cost of public day care programs presents exciting and workable solutions to expanding child care services. However, private funding alone will not be enough to meet the need for day care for families eligible for publicly funded care. Increased public funding is still needed, not only to provide demonstration funding to learn how to best serve new or underserved populations, but to also underwrite the continuing cost of care.

Increasing Private Funding for Day Care

The public and private sectors can work together to increase the supply of day care services. By combining public and private funding, we can secure benefits for employers, employees and the community. We must develop the capability, expertise and experience to work with the private sector.

We need to make it easier for employers that pay for child care as an employee benefit to find out about available programs and gain access to them. To do this, New York City is developing an automated information, referral, placement and waiting list system. This system will be a public service in which all licensed day care programs will participate. It will be available to private individuals and private corporations alike. The system would work much like an airline reservation system. Employers using this service will enable their employees to determine where day care placements are available and have their children placed into available spaces or on a waiting list. We will also be able to supply employers who pay for care with direct centralised billing for all the children of their employees who are in care.

We plan to have both public and private day care programs participate, and the information and referral system will serve both families eligible for publicly funded day care and those who are not. Publicly funded programs would benefit by maximizing their service capacity and by increasing the number of children who pay full tuition costs. Private day care programs would benefit by increasing referrals, maintaining higher, stable enrollments and reducing administrative expenses. We are scheduled to begin implementing the system in September, 1985.

Joint Public/Private Day Care

One example of how we have combined private and public funding to expand day care service is the Garment Industry Day Care Center of Chinatown. We established this day care program with the assistance of the International Ladies Garment Workers Union (ILGWU). This is the first day care center in the country combining public and private funds to provide day care. The program is the result of an agreement between the Greater Blouse, Skirt and Undergarment Association, an organization of garment industry manufacturers and HRA. The center was opened on January 17, 1984, and allows many more children to be served than if the program had been established with only public funds.

The center serves 70 preschool children of garment industry workers. The garment manufacturers contribute $32 per week for each child enrolled, and parents pay fees ranging from $2 to $55 per week. We pay the remaining costs for families eligible for public subsidy. We also monitor the program to insure its quality, track enrollment and attendance, refill vacated slots, and collect funds from the manufacturers.

The ILGWU gains a service for their members, most of whom live and work in Chinatown. The garment manufacturers are able to provide a service to their employees at a lower cost than if they established the center themselves. In addition, they hope to benefit from improved productivity through lower absenteeism and higher morale.

The City benefits by being able to provide service to more children at reduced public cost. For each eligible child, the maximum cost to the City will be about $50 per week rather than the average of $85 per week for centers fully funded by HRA's Agency for Child Development. This means that we can provide services to 70 eligible children with funds that would support only 41 children if there was no private contribution. More projects of this type should be implemented, and we welcome your help as we work towards this objective.

Expanding Child Care Services with Private Funds

We are currently undertaking a demonstration project funded by Shearson-American Express to expand the supply of child care services by developing a self-supporting network of family day care homes. Our role in this project is to assist existing non-profit sponsors to start up new family day care homes and to assist their providers to manage services for both publicly supported and full tuition paying children. The role of Shearson-American Express is to fund our design and development costs and provide us with technical support for the promotional materials we will use to market the service. Most of the families served by the project will be paying full tuition; however, a few will be supported by public funds. Developing a self-supporting network of family day care providers will help sponsors become more independent and financially stable.

This project will serve primarily infants and toddlers. There is a shortage of child care services providers available for these age groups, which are best served in a family day care setting. The lack of infant care often prevents or delays the mother's return to work, which can be costly to corporations.

The initial project site will be a neighborhood in which 12-15 new providers will be established to expand capacity by 50 to 80 children. Another 12-15 family day care providers will be set up in a second neighborhood. Neighborhoods will be selected based on the demand for infant and toddler care by tuition paying working mothers. These initial projects will be evaluated, and if they prove to be viable, the concept will be expanded to other neighborhoods.

The Voucher Demonstration Project

One problem we have in New York City is providing day care to eligible families in underserved areas of the City when we do not have funding for the high start-up cost involved in opening new, publicly funded centers. The voucher demonstration project helps us ameliorate this problem by allowing children eligible for publicly funded child care to use private day care centers.

We initiated this project with emergency Title XX funds provided under the Federal Emergency Jobs Act (FEJA). By this fall, 200 children will be placed in 22 private day care centers located in underserved areas of Brooklyn and Queens.

Participating programs are reimbursed at a predetermined negotiated rate that does not exceed the maximum rate established by the State for publicly funded day care. Thus, through a combination of publicly funded information and referral services and basic grants, eligible parents are able to obtain needed child care in privately sponsored programs.

Children in Hotels

The emergence of new service populations in the City has required us to expand services. Through the use of emergency Title XX funds provided under FEJA, we were able to provide child care as an integral and essential part of a comprehensive package of services to homeless families residing in emergency shelters. There are currently 50 hotels and shelters in New York City, housing over 2,000 homeless families. There are an estimated 3,000 school-aged children living in these hotels and shelters.

The project gives children respite from overcrowded conditions by providing them quality day care. At the same time it gives parents the flexibility to look for more suitable housing, obtain supportive social services, look for employment or seek enrollment in job training programs. Through the project we provide day care to 370 preschool and school-age children and an additional 88 preschool children served through a separate Head Start program. By the end of CFY 1985, we will have 450 children in day care and 120 children in Head Start.

The preschool curriculum at each day care center stresses development of social and intellectual skills. An education plan is developed for each child. School-age children are engaged in a number of enrichment and recreational activities. But for this service population, we need service enhancements for both children and parents. Parents in our Head Start program are able to benefit from a social services component that encourages them to be involved with the day care centers and participate in parenting, nutrition, home management, and employment-related training. We need more public funding to make these same services available to parents in our day care program. We do provide assistance to all families to find continued placement for their children in a suitable day care program once they have been relocated to permanent housing.

Latchkey Children

Another group of children with a special need for child care are those in need of afterschool programs. A survey conducted by Louis Harris and Associates estimated that 100,000 children or 16 percent of all children in New York City are "latchkey" children who have no form of supervision after school because their parents are working and no other adult is available. Children with a need for after school supervision come from all economic groups. As more parents enter the labor force, there is a progressively greater demand for after school programs.

New York City serves 10,500 school-aged children through 168 group and family day care programs. Services provided by these programs include escort from schools, nutritious meals, and age appropriate enrichment activities.

Some programs offer a wide diversity of activity for school-age children. The Harbor School School-Age Center offers creative writing, science, chorus, drama, painting, photography, music, math, reading and sport activities. Others, such as the Pike Street Day Care Center and the Concerned Parents of Jamaica, offer children the opportunity to participate in plays in which they can develop their social and verbal skills.

Quality programs are needed to keep school-age children interested and active. One special project we have initiated with the Harbor School is to assist children to write, film and edit a film on alcholism and how it effects children. The film will be shown to children by the children who produced it. A similar film could be developed for "latchkey" children. The film could be shown in schools to demonstrate how children should handle themselves in an urban situation when they are alone at home, how to handle emergencies, cope with peer pressure and deal with strangers. Currently, no such film is available.

To help urban "latchkey" children cope when child care is not available, federal funding must be provided to develop quality programming that will assist children to develop intellectually, culturally and socially.

Public Funding

I have tried to limit my remarks today to a discussion of innovative projects New York City has developed to increase access to child care services. However, I must also take this opportunity to emphasize that innovative service delivery depends on adequate funding. There is not enough federal funding available to meet the demand for child care services. Our public/private innovations are supported solely by State and local funds. The voucher and homeless children day care programs were initiated with one time emergency federal Title XX funds from FEJA. In addition, greater federal involvement is necessary to help design new programs for underserved populations and populations with unique needs.

The Social Services Block Grant has been the major source of federal funds for day care. Though federal funding for Title XX was partially restored last year, we are still receiving less Title XX funding for FFY 1984 than we did in 1981. In fact, the Social Services Block Grant is currently authorized at only $2.7 billion for FFY 1984 and thereafter. This level is far below the full amount of $3.3 billion authorized for FFY 1985 in P.L. 96-272, the Adoption Assistance and Child Welfare Act of 1980. When Title XX was originally created in 1974, the federal funding level was at $2.4 billion. Now, ten years later, the current authorized level is merely $300 million above the original program level.

Another source of public funding is the child care grant given to working AFDC recipients. New York City recommends that the $160 limit on day care expenses for AFDC be repealed. This limit, enacted in 1981 in OBRA, was inadequate to cover costs at that time. Three years later it is even less adequate. Prior to OBRA, actual verified costs of day care were allowed instead of the current arbitrary limit of $160. Day care costs of AFDC recipients should be adjusted to reflect the actual cost of care.

With respect to specific legislation, New York City supports adoption of H.R. 4970. This bill would eventually restore the Title XX program to its previously authorized level of $3.3 billion for FFY 1985 by providing for $3.0 billion in FFY 1985, $3.2 billion in FFY 1986 and $3.3 billion in FFY 1987. We support adoption of H.R. 5885, the Head Start and Human Services Amendments for 1985, which authorizes $8 million in FFY 1985 and $8.4 million in FFY 1986 to fund information and referral programs to assist families to locate child care. We also urge passage of H.R. 4193, the School Facilities Child Care Act, which authorizes $30 million annually for the next three years to assist communities in starting school-age child care programs. Finally, I would urge that research and discretionary funding be targeted for day care projects that meet unique service needs, serve underserved areas or increase the involvement of the private sector in publicly funded day care programs.

In addition to increasing federal funds for child care, more needs to be done by all levels of government to involve the private sector in funding child care services. I want to emphasize that neither source of funding is a substitute for the other. Through our public/private sector initiatives, we have shown some of what can be done to promote cooperative funding. We recommend that the federal government also find ways to foster this cooperation. Greater efforts need to be made to combine public funding with private funding from supportive employers so that we can begin to address the needs of working parents. We are ready to play an active role in this effort.

Conclusion

Much needs to be done. I appreciate the opportunity to share with you our efforts to improve day care and welcome this hearing as a first step in addressing this important issue.

PREPARED STATEMENT OF MR. PAUL SHUMAKER, EXECUTIVE VICE PRESIDENT, HUMAN RESOURCES AND ADMINISTRATIVE AFFAIRS, CUYAHOGA COMMUNITY COLLEGE, CLEVELAND, OHIO

U.S. House of Representatives

Select Committee on Children, Youth and Families

The National Coalition for Campus Child Care, (NCCCC) first known as the National Council for Campus Child Care, has been in existence for thirteen years. It is incorporated as a non-profit organization, based at the University of Wisconsin-Milwaukee and has members from over 700 campus child care centers across the country. The NCCCC was founded on the belief that child care should be an integral part of higher education systems and that campus child care facilities should provide: Safe, healthy environments for children; developmentally sound educational programs for children; service to parents; service to campus programs. As Dr. Robert A. Corrigan, Chancellor of the University of Massachusetts at Boston, states: "the provision of child care is a significant factor in the effort to guarantee equal opportunity of access to higher education and consistent with the implementation of affirmative action programs.

Cuyahoga Community College was one of the first community colleges in the country to recognize the importance of campus child care as part of an "affirmative action" program. In the early 70's advocates for equal opportunity, on campus and in the community, emphasized the fact that many adults who needed a community college education had children and that good care for their children was essential to their ability to enroll at the College. The College Board of Trustees responded in 1971 by establishing a fully funded child care program for the children of student-parents who had a financial need for such service. After several years, multi-source funding was developed to ease the burden on the College budget, including Title XX funds as they became available. Child care service is now a vital part of all three College campuses for children of students, faculty, staff and community. With the completion of Cuyahoga Community College's Child Care

Center campus renovations, funded in the amount of $2.2 million from Ohio capital funds, the College will be able to care for 250 children per hour or 500 individual children daily; this is nearly 1500 individual children per year. Eighty-five percent of the College Child Care Center capacity is utilized by students.

Low child care fees are possible due to the availability of Title XX funds for tuition and child care costs, and the USDA Child Care Food Program which pays for meals and snacks served in centers. Both of these programs are available to low income families. At Cuyahoga Community College two-thirds of the families utilizing the child care facilities receive one or more of these types of funding. Most of the children in the College's urban center would not receive a nutritional diet were it not for the USDA food program provided through the center.

Many campuses, as with many businesses and industries, have found that provision of child care is an important fringe benefit for employees, reducing the turnover, absenteeism and tardiness which result when employee-parents are torn between their responsibilities to their children and to their jobs. Five percent of the Cuyahoga Community College staff use the Child Care Center. Child care on college and university campuses also offers valuable resources for the training of teachers, for research, and for advocacy related to standards in programs for young children.

May I use three Ohio campus child care programs as illustrative of three successful strategies for establishing and maintaining good campus child care. The program at Cuyahoga Community College operates with funding and in-kind support from the College, Title XX, USDA contracts, and parent fees. The child care program which has provided service for student, faculty and staff for fourteen years at The Ohio State University has similar resources: 20% of its budget and in-kind services are furnished by the university, with Title XX, USDA contracts, and student fees providing the remainder of the budget. The child care center at Oberlin, Ohio, serves both the private four-year college and the community with funding from the local government, United Way, Title XX, USDA, Oberlin College student and faculty organizations, businesses and industries, church and civic groups. All three of these institutions are experiencing difficulties now maintaining the quality of their programs in the aftermath of cuts in funding, especially cuts in Title XX and USDA. The NCCCC could provide from among its members, many other examples across the country of campus programs which are struggling to maintain service. There are many other campuses where child care is needed and yet is not available, according to NCCCC.

The NCCCC supports the positions of the National Association for the Education of Young Children, and of the Children's Defense Fund, that good child care should be available for all children who need it and at a price that their families can afford to pay. NCCCC asks that campus child care be included in a comprehensive national plan to provide more support for child care services. Specifically the organization has suggestions in three areas:

1. Traditional sources of support such as Title XX and USDA, which have been cut, should be funded again at previous levels, or increased. The cuts have had serious consequences for children and families served by child care programs.

2. New initiatives are needed to provide care for children who are not now being served. Most critical needs are for infants, toddler care, and after school care for school age children. Information and referral resources are needed. Home day care registration is needed as well as the funding of demonstration programs such as satellite day care homes affiliated with existing centers.

3. Indirect support should be developed, such as the programs which allow a portion of income to be set aside for child care costs, medical and legal fees, with flexible options and tax benefits similar to IRA's. Other tax initiatives suggested include allowance of the full cost of child care as a tax deduction for parents and more tax incentives for business and industry to subsidize child care.

The above suggestions carry an inherent message to Congress that a strong moral commitment to the nurturing of American children needs full attention by the nation. Concomitant with the national responsibility is a responsibility to be borne by the Nation's colleges and universities.

The National Commission on Excellence in Education stated in its report, A Nation At Risk, that "it is, therefore, essential--especially in a period of long-term decline in educational achievement--for government at all levels to affirm its responsibility for nurturing the Nation's intellectual capital." I would add that this capital begins with the Nation's very young.

Calling again on the words of Chancellor Corrigan, child care is defined as "more than a convenience, more than a teaching tool, and more than a service to the surrounding community. The real significance of quality child care is in the ways in which it benefits our society as a whole...As colleges and universities share a basic commitment to provide leadership--intellectually, ethically, and morally--to the community, child care is a moral issue, a commitment to the family and a humanistic commitment to the pressing needs of real people. Serving people is the goal. Serving children, particularly in the early years of development, is the program's basic contribution to our society."

Dr. Harriet Alger, past chairperson of the National Coalition for Campus Child Care, states that child care is needed. Child care is an investment in the future that no society can afford to neglect. The provision of good child care is an educational, psychological, sociological, and political issue that higher education must address.

Good care for children is essential to our national interest. Good care for children is cost effective, preventing problems which result in greater expense for remedial services later. The National Coalition for Campus Child Care urges this Committee and the Congress to provide leadership in the development of more resources to develop and to support child care services which are essential to the stability and security of the millions of American families.

Thank you,

Edited Transcript

Child Care*

Sandra Scarr, Ph.D.

Commonwealth Professor of Psychology

University of Virginia

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The last decade, particularly in Washington, has seen enormous debates on who should care for children, and who should pay for it. Should women work? Why are all these mothers leaving their children to be employed outside the home? These heated debates, which often take on a rather moralistic tone, have yet to lead us to a coherent policy on children and families. There are many unspoken assumptions that underlie debates in this field.

One of the most difficult issues, one that is seldom discussed, is the tension between women's rights on the one hand and children's needs on the other. As both of those issues are perceived by different groups with different agendas, the debate has not been very productive. On one side, women's groups have asserted their rights to have socially responsible child care, so that women may participate fully in the labor force. Although women's groups favor good quality child care, their concerns feature affordable care so that more women may become wage-earners for their families. Advocates for children's interests, on the other hand, have focused on the need for high quality care for young children, and have paid little or no attention to women's interests and women's rights. I count my own field, developmental psychology, among the latter. So, I thought I would start off and talk a little about assumptions from the child care side. I speak as a developmental psychologist, but I am also a working mother of four children and I am concerned about the issues from the other side as well.

Assumptions about Child Care

Everyone agrees that young children-- infants and preschoolers -- need supervision, nurturing, and care from adults. That issue is not debatable, but what kind of care do they need? How much money do we need to spend on it? And, who should provide it? These are matters of debate today. The working assumptions of the early nineteenth century in this country, those described by John Demos in his books about the family, are that young children should be cared for by their mothers, and that mothers have a special relationship with children. In psychology we have names for special relationships; we call them bonding and attachment. Those two concepts have been the subject of much research in the last twenty-five years, and they have a Victorian quality about them. Bonding is the special relationship that mothers are supposed to come to feel for their newborn infants by virtue of early tactual and sensory contact with them. Bonding came to us from ethology -- the study of animal behavior. Mother rodents become strongly attached to their offspring through early contact with their smells and feels after birth. Applied to humans, the bonding concept has been the source of a major change in delivery-room practices. Mothers are typically given their babies at birth, because supposedly there is something magical about the process of bonding. Recent research by Michael Lamb, Robert Emde and others suggests that in the human case there really isn't anything special about the first few hours after birth. In fact, mothers who don't have contact with their infants for the first twelve hours are just as good mothers as women who do. Although mothers will continue to be able to hold their babies in the delivery room, I hope, bonding will no longer be the reason for the practice.

Attachment has a similar theme; it too comes out of the ethological, animal behavior framework and describes the special relationship that a child has with the mother. In the human case, children are supposed to become attached to their mothers in the last half of the first year. At around six to twelve months most infants develop special preferences for particular people, and usually one of those people is the mother. It is a popular belief that attachment to mother is the emotional basis of later mental health; that a child could not be a well-adjusted, happy person, without a special relationship or attachment to mother. Now, that concept has also come under challenge, not because anyone doubts that babies need close relationships with adults, but why does it have to be mother? Yes, children do have the special feelings for others, but is there something that makes the biological mother the necessary and solitary subject of that attachment? The answer is NO. In developmental psychology, and in the area of child care, the concepts of bonding and attachment have served to define a special responsibility of mothers for their children -- assumptions that affect our attitudes toward child-care policy.

A third kind of assumption we seem to have as a society is that parents are responsible for their children. Generally, we do not believe that children are the possessions of the society as a whole. Children are, if you will, owned by individual families. That ownership gives them responsibility for the nurture, care and rearing of these children, and makes us nervous as a society to interfere with family decisions about how to rear children. Parents have the privilege to make decision about their children; they also have to take financial responsibility to support them. As you know, other societies don't treat children in quite that individualistic fashion. Where children's care is subsidized, families do not have the autonomy to make individual decisions about their children. However, given our assumption about individual parental responsibility for children, parents are expected to pay for the care of their own children. Those who can't pay are labeled as disabled or disadvantaged families; there is something wrong with them if they cannot pay for the services they need for their children.

Education and Child Care

For reasons that we can't go into here, in the early part of this century we did relieve the family of the responsibility for the education of children from the age of six to sixteen. Our government took on the public function of education and made it mandatory. For reasons partially related to technology and industrialization, we decided that the education of children from six to sixteen was the responsibility of the public sector with individual families still responsible for the welfare of their own young children. We have simply not considered infancy and early childhood as falling under that same public responsibility as later education. Thus, rarely are child care issues debated in the same terms as educational ones.

When we think of the care of young children outside of their families, most of us think immediately of day care in some form. It is useful to know, however, that there have been two streams of child care services in this country -- one respectable and one of questionable lineage. One is the nursery school and kindergarten movement, and the other is the day nursery movement. They have very different roots.

The roots of the day care movement are associated with welfare and reform, with inadequate families, poverty and immigrants -- tainted origins. Nursery schools and kindergarten, on the other hand, were very much a middle-class movement, which resulted from the educated woman. The educated mother was Teddy Roosevelt's and G. Stanley Hall's ideal woman. This was the mother who went to college in order to learn to be a better mother. Roosevelt made a wonderful speech at the 1909 White House Conference on Children and Youth stating that it is the woman's hand that rocks the cradle, and there is no more important role in society for educated women than to rear the next generation. They are the hope for the future and the strength of the country. The ideal of the educated mother encouraged women to move outside of their immediate families and form preschools in which they would educate the future generation; they themselves started nuersery schools and kindergartens. That was very much an untainted movement since it was an extension of the ideals of the middle-class family.

In contrast, day nurseries, which evolved into the day-care centers that we know today, have an historical association with poverty and working mothers -- a less acceptable origin. The first day care centers were founded in the 1840's in Boston for the widows and working wives of seamen, who were then as now a disadvantaged group. Then, the settlement houses that took in immigrant children started day nurseries, since immigrant mothers had to work, and their children were growing up in the streets. Good reformers like Jane Adams and the Hull House folks started nurseries for the children who needed care and supervision. This history led to working mothers being characterized as a very disadvantaged group.

The middle-class mother didn't have to work, so she arranged part of the child's day to be spent at a nursery school setting for the child's benefit, not so that she could participate in the labor force. Day nurseries were associated with immigrants, the working class and the disadvantaged, and they were established to help provide supplementary care when mothers had to work. So our history of day care in this country is one in which the welfare system is implicated, not the educational system.

Working Mothers

When women have been needed in the labor force, as in World War II, or when jobs were needed for unemployed teachers, as in the Depression, the Federal Government did support day care to a large extent. In 1943 we had 400,000 children in federally subsidized and sponsored day-care centers at every kind of site, from shipyards to ammunition factories. Day-care became necessary when women went to work because something had to be done with these little children who were growing-up in the streets. At the end of World War II the Federal Government abandoned its commitment to day-care centers and withdrew all funds. Only two locations in the country, California and New York City, decided to keep their day-care centers. The State of California had a long-time commitment to day-care centers, and the centers that were formed during World War II are still in operation. Even though the State of New York abandoned support of day-care, New York City continues to subsidize day-care. Every other State abandoned the effort.

The political tension between women's participation in the labor force and responsibility for caring for children is played out in many forms, of which day-care is only one. Therefore, in the political arena the child-care debates are affected by the same issues that affect many other policies having to do with women and families.

In 1982, married women with husbands present, and children under three years of age, were working at rate of 43.5%; these are people who you think would be least likely to participate in the labor force. About half of those women are working part-time; they are not all full-time employees. Nevertheless, about one in every two mothers of preschool children is in the labor force. Although the participation of single, separated and divorced women is a little higher -- 53.5% rather than 43.5% -- mothers with working husbands are also working in great numbers because their families need the money. They are not working primarily for self-fulfillment. About three-quarters of the women who have been interviewed in different studies say they are in the labor force because the family would be significantly less able to provide for its members if they were not working outside the home. This represents an enormous and steady change in the employment of women since World War II. The projections are that about three-quarters of the women with children under six are going to be in the labor force by 1986.

Inadequate Child Care

Neither the children nor the critical shortage of quality day care in this country is going to go away. We all know that there are not enough day-care spaces of any quality, never mind day-care spaces of adequate quality. There are about 8 million preschool children whose mothers now work. We have about 2 million day-care places in licensed centers. The remaining 6 million children are cared for in their own and others' homes. Most day-care homes are of passable quality but some are definitely not. In addition experts estimate that about one million preschool children are alone, without adult supervision, for some part of the day when their parents are working. It's a fairly startling fact that more than a million children, five and under, are unsupervised at least part of the time.

The major problem of inadequate day-care facilities is that many parents can't afford to pay. Gary Winjette did an analysis of the economics of day care in 1981 and pointed out that for a family at the poverty line to pay fully for two children in day-care would require about 60% of their income. Now, a family cannot pay 60% of their income in order to have care for their children, because there is not enough money left for food or for a place to live. In contrast, a middle-income family making $30,000 a year, with two preschool children would pay only 13% of their income, which is substantial, but tolerable. Both the quantity and the quality of day-care facilities are victim to economics. My expertise is not on the economics of day-care, but rather on the qualities of day-care environments that matter to children.

I am, therefore, going to focus the rest of my talk on children's needs and how they can survive child care.

Preschool Child Care

Based on the information we have about child development, we know well what children under the age of three and those from three to five need in terms of reasonably stimulating care. Around the world, children thrive in regimes that meet the social and intellectual needs for developmental growth. Children under three need close adult interaction, on a one-to-one basis, and are not very responsive to the presence of peers. We are talking about infants, one and two-years-olds. Their care is extremely expensive to provide since one adult can realistically only care for three to four infants. How many diapers and bottles can one caretaker really manage, never mind being able to talk with the babies, carry them around, play games and laugh with them? With toddlers, children who are now mobile and beginning to talk, groups of four to six are manageable, although that may be pushing the limits of what one adult can do. So, we are talking about the kind of care which is best done in small groups where individual infants and toddlers get a lot of personal attention from familiar people, in settings which are familiar.

What seems clear now for preschoolers, children three to five years old, is that they do get something out of being in larger groups and having a structured educational program for part of the day. These are the same ages of children who go to nursery school. We have been sending them to nursery school since the 1920's and everybody thinks that's a nice thing to do. Well, a day-care environment can include what a good nursery has for children over three. It can't include a structured program all day long because these children need rest and some free time, but a good part of the day can be structured for them, to their benefit.

Research on Day-Care

We have two rounds of research on day-care in the last twenty years, and I thought I would briefly summarize the questions and the findings. The first round of research came out of the alarm sounded in the 1950s and 60s that women were going to work and a concern for what would happen to their children. The question that was repeatedly asked was, is day-care bad for children? Many were looking for the social and emotional damage to children who were separated from their mothers. Contrasts were drawn between impersonal, institutional care and loving care with mother, who baked cookies and played educational games with her children. It was alleged that mothers spend a lot of time with their children in educationally beneficial activities. Actually they don't. In fact, from studies at the University of Michigan we know that the average mother, at home with her preschool child, spends about 20 minutes watching television with the child in the room, 13 minutes eating with the child sitting there and less than 10 minutes a day actually doing something educational with the child.

Interestingly, it was also found that working mothers spend just as much time in direct interaction with their children when they come home from work, as do mothers who are home all day, because working mothers set aside time to spend with their children. However, mothers who are home all day have many other responsibilities, in and outside of the household, and they don't spend any more time in one-to-one interaction with their young children. So there are three myths: (1) that mothers who are home spend a lot of time with their children in beneficial ways, (2) that mothers who are working deprive their children of such benefits, and (3) that a day-care center or home cannot be a substitute for mother's care. After 20 years of research on home versus day-care, we have found no reliable differences between children in quality day-care and those at home with mothers.

That line of research has evolved into a different set of questions, which have been the focus in the seventies and are still the focus in the eighties. Some of the questions are, what are the qualities of day-care environments that are good for children? Now that we have accepted that there will be a day-care, the focus is on what kind of day-care should there be? The Federal Government sponsored two large, national day-care sutdies. The national study on centers looked at 63 centers and focused on how well the children in those centers were functioning. The results showed that the adult-child ratios made a difference. For example, if you had too many children per adult good things didn't happen; if you had fewer children better things happened. Group size became an important issue. If you have ten toddlers and two caretakers, you could arrange those children into one group with two caretakers, and the ratio is still five children to one adult, or your could separate them into more family-like groups where one caretaker is consistently responsible for five children and the other caretaker for the other five children. It turns out that the latter arrangement of smaller groups works better for young children. When you have two caretakers together they tend to interact with each other more than with the children, and no one is totally responsible for the welfare of any one child.

The second study on day-care homes confirmed the results of the center study. In addition, licensed day-care homes were found to be generally superior to unlicensed homes. The best homes were those sponsored or supervised by a community agency. Networks of day-care homes provide support, information, resources, and even vacations for over-worked day caregivers. Homes in such networks were better, on average, than any others.

I have been involved in three different studies on day-care and I think that you will find them of interest. I have been a consultant for the past six years with the Bermuda Government (Bermuda is a nice place to do research). We have been evaluating their day-care situation because in Bermuda most mothers work from the time the children are very small. In the first year of the child's life, 75% of the mothers have gone back to work, so the majority of Bermudian children have non-maternal care. By the age of two, 90% have non-maternal care, and by three every child is in non-maternal care.

We have done three studies in Bermuda; one evaluating the differences in environments in nine centers, which takes into account all of the infant-care centers on the island. Essentially, we studied all nine centers which included about 200 infants and toddlers. We measured differences in the amount of adult-child interaction, physical environment and the structure of activities. In looking at the broad spectrum of experiences that children have in these centers, the good things are correlated. For example, those centers that have good physical facilities also provide good meals. They also have smaller groups of children and better educational programs. All these things do make a difference in how well the children are developing. Even if you take into account differences in the children's families and home environments, those in high quality care had better intellectual, language, personal, and social development than children from comparable families in lower quality centers. The good centers had good effects and the inferior centers were not doing much for children.

The second study looked at naturally-occurring differences between day-care centers, day-care homes, the sitter at home, and having mothers at home during the first two years of life. We compared the development of children in these different settings and, again, addressed the concern of family background differences. We found that there appeared to be no difference at all among groups of children who were at home with mother or another relative, in day-care homes with several other children, or with a sitter at home. Those three groups of children were indistinguishable, and they were doing fine. Children under two years of age and who were in an average center environment were not doing so well. These are centers where the child-adult ratio is approximately eight to one, which represents too many babies with one adult and not enough stimulation or toys in front of them to hold their interest. In other words, for average and below average centers, the babies or very young children were not doing too well.

The results for older preschool children were different. Three- and four-year olds in the average centers were developing better skills than children from comparable families in day-care homes or their own homes. The children who are home with the sitter, or are in a day-care home have fewer educational opportunities and less instruction, on the average, than children in the centers, all of which have some sort of preschool program. Children in homes do not necessarily have children the same age to play with. So from three to five, children who are in centers are doing better than those who are not in a group program. This makes sense from a developmental viewpoint in terms of what a child needs. Those under three have a different set of needs from those over three years. The care typically provided in the centers was not entirely suitable for very young children but much more appropriate for older children.

The third study was a retrospective study; we looked at the eight-year-olds on the island. We examined teacher ratings, peer ratings, and various test scores to determine their level of development and adjustment. With that data at hand we interviewed their families to see what kind of day-care history they had. Again, we found that the children who had been in center care with larger groups before two years of age were not doing as well as the children who had been at home or in a day-care home.

Therefore, the accumulating evidence says that the quality of care for preschool children is important to their development; that appropriate care for children under three and over three is different; and that there are some long-range implications for their functioning in school which we should be concerned with.

We need to do something to see that children have good care, and we cannot expect the parents to provide all of this care themselves. The issue is not whether mom and dad provide the care; it is the kind of care that matters. We see no evidence that it has to be a biological parent who takes care of the children. Children thrive in good care, and it doesn't seem to matter who they are with.

Day-Care as Intervention

There has been a new set of studies on day-care intervention that are very interesting. Craig Ramey of the University of North Carolina provided full-time day care for children from disadvantaged homes with low incomes. The parents were poorly educated, many had low I.Q.s. Ramey provided developmentally-enriched day-care from early infancy to their entrance into public school. As expected, by the time these children reached elementary school they were much better off than a comparison group of children who were reared in their own homes. That is an example of how developmentally structured day-care worked as an intervention with children of disadvantaged families. The North Carolina project is not going to become another Milwaukee project, which fell into disrepute; this research has been going on for about ten years now. The children are now in school and instead of having average I.Q. scores of around 80, which would be typical of the children from this sample, these children are functioning with I.Q. scores of over 100. They seem to be adapting well to school; however, that may not necessarily be sustained, unless there is something sustaining in the children's environment. What it does show is that this kind of early intervention will pay off by at least helping children to enter school in reasonably good shape.

Child Care Policy

Now I would like to address one alternative that has been proposed on day-care. Recently there have been proposals on maternity and paternity leave when infants are born, so that mothers or fathers can stay home to take care of them. We have noted that infant care is by far more expensive to provide because it requires so much of an adult's time invested in a single infant. It might be more cost effective to pay women to stay home for a year to take care of an infant, rather than having to purchase child care elsewhere, or risk losing her job. I am ambivalent to that alternative because it sounds as if that is the only option that would be afforded. I would rather see some form of stipend paid to parents either to stay at home or to purchase child care, whichever they preferred. And, in that case we would be subsidizing child care in the first year of life, whoever provides it. Women should have the option to stay home or not; fathers should have the choice as well.

I would also like to discuss subsidized care for children at the workplace. For a while it looked as if the employers might become interested in providing their employees with some form of child care that would be readily available at the workplace. Mothers would have control over it and could visit when it was convenient for them. They could be on the child-care board that set up and ran that organization because this would be one of the employee's benefits. This could be an intermediate form of maternal care, and it could be worked out in the best of all possible worlds. The mothers could be given a few hours a day by employers to contribute to the care of the children in the center, so that parents could participate in the care of their children at the workplace on a part-time basis. Why couldn't we work out something like that?

Many ways have been suggested to improve child care -- policies that would be more systematic and effective than what we are doing now. There are millions of children out there whose daily lives are spent in care situations that are far from ideal. Do we not have a responsibility to set some standards for adequate child care? Do we not have a responsibility to do something about the qualifications of those providers? I am not here today to recommend legislation, however; the Federal Government seems extremely ambivalent about setting up definite and developmentally appropriate standards for child care. I appreciate the opportunity of addressing this distinguished group and would now like to hear what your concerns are on the subject of child care. Thank you.

Q: Were there any public policy implications in your Bermuda studies?

A: Working in Bermuda is an ideal situation; since it is so small I can talk directly with the people who make the policies and also spend the money. It is a microcosm which is autonomous; it is a British colony but it handles its own internal affairs, and has its own parliament and budget. Approximately a year ago we gave them our report of the day-care studies. What they did immediately, with some help from us, was to set up training programs for child care-givers because, even where they had adequate numbers of staff, the staff wasn't using its time in beneficial ways for the children. They were not very well educated and they did not understand that interacting with young children was important. They know that you wipe them after they finish eating, but they didn't talk to them about what they were eating. You have to give children meaning. We felt that training was a good basic first step.

In the Bermuda College they set-up a three-course training program which awarded a nursery certificate upon completion. Nursery directors were told that they were to release their staff to attend the courses, and that they should expect their staff to rotate through these nursery training programs. In the future a certificate would be mandatory for day-care workers in these centers. That is one way in which you get more informed and better educated nursery workers. The second thing was, they had been considering legislating requirements regarding day-care center and the staff-child ratios; however, they hadn't gotten around to implementing that. They did institute a requirement that there will be no more than four babies under a year, and six babies between one and two per care-taker. Now they have only one, high-quality government day-care center, but may establish more.

We have been lobbying for two separate government actions. One is we think that they can use another infant day-care center, a good one sponsored by the government; and we also want them to develop a network of day care home providers and to set-up a system of supports. I should mention that The National Day Care Home Study examined hundreds of homes in different locations in this country. They looked at three different kinds of homes: supervised and sponsored homes, licensed and unlicensed homes.

In the U.S the unlicensed homes are unregulated; the lady down the street takes in kids from the neighborhood and no one is the wiser. We really have very little idea about what's going on there. The National Day Care Home Studies included some of them and found that on the average they were not bad folks. This is where there is the highest possibility for abuse because there is no contact with these people. The licensed home has an approved physical environment and very little else, but who knows since they are not supervised. After the licensing occurs there may be a visit once a year, at best. The supervised and sponsored homes are those that belong to a network, and these have been growing around the country where day-care mothers have a connection with some community agency or child care center, which provides relief time for the day-care mother if she is sick. They can help to provide a substitute day-care mother, furnish educational materials, toys and guidance on what to do with the children who may have potential problems. They also provide moral support for day-care mothers who are somewhat isolated from the rest of the world. These centers with their satellite homes provide a network for feeling that one is part of a larger, socially important scheme. Bermuda could develop a similar system; there is a model and plenty of work to go along with it. One could get into an organization which also provides for career advancement; you can go from being a day-care provider, to being a supervisor and an educator. This kind of organization holds child care together; it doesn't remove it from home, but helps to consolidate it in many beneficial ways.

Q: I am curious about middle-income or upper-income families who want to use day care, would they be eligible?

A: Why couldn't it be an employment compensation, a generally available condition of employment? I would not like to see child care stigmatized as being available only to those who cannot possible afford child care. In one group surveyed, more than half the women responded that they would be willing to be employed, but that they couldn't possibly afford child care. However, they could not make enough and they are not educated enough to get the kind of job where they could possibly go out and work and pay for child care. So they can't go to work unless the care is subsidized. The women's rights group, that is largely middle-class, has fought for a tax relief and we middle-class folks got a tax credit for child-care expenses, which takes care of some of our concerns.

Q: What factors do you think contribute to the differences in the child care centers?

A: I would like to point out that eight out of the nine centers (in Bermuda) are proprietory centers; that is, the directors are making their living out of these centers. Care for children under two years is probably a losing proposition for centers. However, in the centers caring for the children who are two and up, one could make a living. Proprietory centers are continually cropping up in this country. There are two large franchises who have hundreds of centers across the country, which may sound like Kentucky Fried Children. However, Bermuda is physically a long and thin island; if you live and work here, you don't take your kids over there. People use facilities which are at a convenient distance from home and work. As a result of a lack of choice in centers, there is a certain amount of tolerance among parents and also a lot of ignorance. Parents don't know what is going on in the centers and they are not encouraged to find out. They leave their children at the door and they pick them up there; most of the parents have never been inside the building. Also, the directors at these centers have different ideas or philosophies about what they are doing. Some of them emphasize safety and good food for the children, which means that you don't have much responsibility apart from taking care of the child's physical wellbeing; you make sure that they don't have dirty diapers, that knees are not skinned, and that they get good nutritious meals. Whereas others have a more educational philosophy. The day-care workers also differ greatly in the various centers. In one of the centers they hired the cheapest possible help they could get; people who were rejected as hotel maids were hired to take care of the children. Other centers cared about the recruitment of an adequately experienced staff, very seldom were they trained, and they were not highly educated people. However, they chose people who had good experience and were truly concerned for the welfare of young children. The centers did charge different fees. The fee in 1982 went from $25 to $35 a week per child, which is not expensive, however, some of them had 80 to 90 children and others had 150 children enrolled. We didn't get into the economic aspect very closely, however, it was apparent that some of the centers had more money to spend on staff and programs.

Q: Do you think that you could isolate the good characteristics to come up with a set of standards for the centers?

A: Yes, I think that some of the characteristics of a good program certainly can be put into standards; which include a fine physical environment, and the quality of care for children of different ages. Through these you can set goals for an organized system by which support and training are given to day-care providers.

Prepared Statement of Beverly Roberson Jackson Ed., D., Director, Department of Human Welfare, General Board of Church and Society, the United Methodist Church

Improving Child Care Services: What Can Be Done?

The United Methodist Church has issued a policy statement on dependent care. This was accomplished at the 1984 General Conference of representatives of the 9.5 million member church. The statement urges churches to continue their outreach and their responsiveness to families of young children and families with members who require extended special care, such as those with handicapping conditions or the frail and elderly. Church members are encouraged to speak up and work toward equitable public policies that lead to providing support for families in these times of need. It states:

> It becomes the obligation of churches to urge and promote coherent, inclusive, and equitable policies that affect families, who at some time or another, rely on formal and informal support systems relative to the care of children the elderly, or persons with handicapping conditions.
>
> As it approaches public advocacy for dependent care, the church must be guided by the variety of forms of its ministry. The church must acknowledge the importance and implement the provision of affordable and high quality family support systems that are equitably distributed to those who need them.

One of the tangible ways churches in this country have responded to needs of families has been by becoming a major provider of child care facilities and programs. In most cases churches have begun child care programs in response to the human needs manifest in their community, thus 99% of Church housed and/or operated programs are open to all who wish to participate and the programs are secular in their curriculum. (Based on responses to a survey reported in When Churches Mind the Children by Eileen Lindner, Mary C. Mattis and June Rogers. The High/Scope Press 1983. In addition to the advantages of space, location and tax exempt status is the fact that churches are often "very generous landlords often charging nothing and seldom charging full market rates for the use of church property and a variety of services" (Page 67, When Churches Mind the Children. Thus, churches continue to make a significant contribution to the availability and affordability of child care across the country.

UNITED METHODIST CHURCH VS KINNEY

Recently, the Ohio Supreme Court forged an ominous precedent by denying a church a property tax exemption on a building it owned because part of its space was used as a child day care facility. The case, Summitt United Methodist Church vs Kinney, (7 Ohio St. 3rd. 13), points out a dangerous attitude toward the provision of child care, and a common misunderstanding about the ministry of the church.

In that case a local church sought a tax exemption on the educational wing of parish center. The educational wing housing the church's administrative and pastor's offices, was used for church school on Sundays, and as a day care center on week days. The day care center was operated by Ohio State University which charged fees on a sliding scale to the families that used it. The University paid the church rent of about $775 per month plus utilities.

The governing regulation (R.C. 5709.07) allows an exemption only when the "...house [is] used exclusively for public worship...." The court denied that day care centers could be construed as public worship -- all the while acknowledging that other religious buildings were used, within the exemption, for girl scouts, retreats, bingo -- and therefore the building's use was not primarily religious in nature. The court has defined, along strictly secular lines, the boundaries of religious activity and the public services a church may consider as part of its services -- and has excluded care for children as a legitimate function of organized religion.

The same regulation denies an exemption to property "leased or otherwise used with a view to profit," and the court cites the receipt of rent on the use of the building as further substantiation of the fact that the property does not qualify for a tax exemption. But there is no evidence the rent received constitutes a profit or that it even covers the cost involved in keeping the building open.

Church facilities constitute some of the more readily available spaces in the community that can fill the need for child day care services. They should be encouraged to provide the space that is usually not used during the week. The kind of policy propagated by the court's decision in this case will make it harder to persuade congregations to allow the establishment of child care programs on their property while encouraging them to provide places for such socially necessary activities as bingo.

Legislative action to provide specific tax exempt status for private properties such as churches that provide space, often at a loss, to not for profit child care programs, is needed. In a provisionally adopted National Council of Churches statement on child care, child care is defined as a viable ministry of the church.

Financial Considerations

Even with the practical and philosophical support of child care programs some churches provide, parents still pay much of the cost of child care. Low overhead does not negate the need to pay teachers and caregivers a respectable wage that acknowledges their expertise and the importance of their work. Teachers in many child care programs are the primary subsidizers of child care costs. They do this by accepting low wages and by making non-cash contributions frequently in the form of educational materials.

Public programs such as the child care food program and Title XX have dramatic impact on church and community child care programs alike. Programs have had to close, reduce the nutritional content of food they feed children or had their numbers drastically reduced because parents could not afford the increase in tuition due to the increased food and costs resulting from recent Federal Budget cuts.

Title XX cuts and changes contribute to fluctuating attendance when eligibility guidelines go up, children in attendance go down because their parents can no longer afford care. In addition, since Title XX rarely covers the actual cost of care, child care programs are continually spending time and energy in efforts to raise the needed capital. This is the time and energy that could be better spent working with children and parents.

Policy Considerations

In recognition of the important role the church can assume both in child care and in helping to determine public policy in this area, the National Council of Churches, in its soon to be adopted statement on child care has said..."children's needs must be met, for the sake of children for the sake of the family and society as a whole. Children from all income levels need care, thus access to services must be available to the poor; the middle class; racial and ethnic minorities and the affluent. Child care, at its best, is a family strengthening service, the objective of which should be to empower families to raise children in accordance with their beliefs and values" and it also states; "existing public policies lack coherence as well as equity for all children."

"Child care concerns are not of a fleeting nature, but pose enduring issues which reach deep into the nation's life. At the heart of the debate lies the future well-being of America's children and families."

One example of how a church responded to a child care need and how church and public policy come together is found in Middlebury, Vermont. A severely handicapped child participated in the child care program of the Addison County Parent/Child Center [P/CC] (the program was funded in part through the Federal office of Special Education so the program personnel could begin to address the needs of handicapped children (0-3 years old). As this child approached 4 years, it became apparent that there was no other program that could meet their child's special needs as well as the child care needs of a family with two working parents. The parents approached their church

(Congregational) about using part of a church owned building for a mixed age mainstreamed community child care program. The church responded positively, and, with initial start up funds from the P/CC and the church, a program suited for this child as well as her non-handicapped two year old brother and other children 0-5 years in the community was begun in January 8, 1984. This program exists because of the responsiveness of the church, reasonable overhead costs, respite care provided on site, foster grandparents, work study students from Middlebury College and the high school, two full time teachers, and continuing support and training from the P/CC. The P/CC participates in the Child Care Food Program and parents, often with Title XX help, pay tuition for their children in child care. Local support for the P/CC comes from town revenue sharing and property tax exemption. Yet despite all these positive resources, the teachers deserve better pay and benefits, the maintenance of the P/CC is essential and increased funding through Title XX for tuition and training is very important. An increased number of respite hours (funds come through the State Department of Mental Health) is also desirable to improve the staffing in this mainstreamed setting.

The United Methodist Church in the same community opens their basement to the overflow of children and parents who come to the P/CC on family play day. An interesting play area is created for the children while parents supervise, interact or take classes offered by the P/CC. The P/CC is even in its present location because the church agreed to share the use of their parking lot.

We hope that this statement in support of available, affordable quality child care will positive effects within and outside the church community and that it will help contribute to the well being of families, which are the strength of our society.

Thank you for hearing our testimony.

Contact Person:

Dr. Beverly Roberson Jackson
Director, Department of Human Welfare
General Board of Church and Society
100 Maryland Ave. N.E. Washington,D.C. 20002

Prepared by:

Beverly Roberson Jackson Ed.D.
Jan Kozarin Ed.M
Middlebury, Vt.

PREPARED STATEMENT OF MARTHA SAYRES, M.D., DIRECTOR, OFFICE OF ACADEMIC CENTERS, HARVARD MEDICAL SCHOOL, BOSTON, MASS.

Testimony for September 6, 1984 Hearing of Select Committee on
Children, Youth, and Families

For many years, women physicians and scientists have made important contributions to clinical care, teaching, and research at the Harvard Medical School. At this time, at the faculty level, 4% of full professors, 7% of Associate Professors, 13% of Assistant Professors, and 26% of Instructors are women. At the training level, 28% of medical residents and fellows, and 33% of medical students are women. As the proportion of women has increased in medicine over the years, it has become evident that academic demands have often precluded traditional parental roles.

Since 1978, several studies have been conducted to examine different aspects of the experience of women at this medical school. The early studies surveyed women graduates of Harvard Medical School since 1949 regarding their general experience. Similar questions were then asked of the nine women full professors at Harvard Medical School in separate videotaped interviews made available to educational institutions around the country. It became clear that however brilliant their professional contributions and prestigious their appointments, women had special issues related to family and parenting roles which had rarely been addressed. Some women felt pressured to make a choice between career goals and family life. In order to identify systematically the barriers to women in reaching their maximum professional and personal fulfillment, a study was done in 1982-83 by G. Denterlein and M. Sayres. This controlled study specifically addressed maternity leave and child care issues. 88% of the women who had had pregnancies while in training (65) since 1974 and 95% of their training directors (66) participated. Many men spontaneously expressed an interest in paternity issues and asked to be included in our study.

From the study emerged a picture of the persistent difficulties for women and men in balancing career and family as demonstrated in some of the following summary data:.

In 1983 there were almost thirteen hundred residents in the Harvard Medical School's system, of whom one-fourth were women. About half the women were married. Pregnancies occurred at ever increasing rates over the past five years despite a leveling off in the number of women residents since 1979. Most programs had no formal maternity/paternity policy and the duration of leave and the amount of pay varied considerably from program to program, even within hospitals. All of the women returned to work after their pregnancies, and many had taken no time off prior to delivery.

The detailed results of the study were considered by five different committees in the Harvard Medical School and its affiliated institutions. In order to communicate support for the intrinsic value of both scholarly pursuits and parenting, we were encouraged to implement the following series of recommendations for Harvard Medical School faculty appointees:

1) Distribution by the Dean of the Faculty of Medicine of the Federal Pregnancy Discrimination Act of 1978, the state law delineating the minimum duration maternity leave, and the maternity leave guidelines set forth in 1979 for faculty members on the payroll of Harvard Medical School to all Department Heads, Training Directors, Trainees, Hospital and Personnel Directors (this includes regulations on hiring, terms of the women's return to work, seniority, etc.)

2) Continued study of the obstacles faced by men and women in combining career and child bearing with dissemination of our findings among institution members.

3) Establishment of an office at Harvard Medical School to offer practical support to two groups:
First, for program administrators, the following are available:

    a) Information as to how to handle special problems created by pregnancy in different specialties (for example, a way of eliminating dangerous levels of toxic chemicals or radiation exposure for pregnant women).

    b) Assistance for developing a flexible scheduling program when feasible, taking into consideration successful experiences in other departments.

Second, for those men and women who decide to have children, the following are available:

a) An office to call for information on planning for parenting in a medical career.

b) Information on day care facilities currently offered in the medical school area.

c) One to one support for men and women who seek to have families, including practical information on live-in day care, an introduction to reliable babysitters in their area, etc.

d) A network of women who have become parents while pursuing busy medical careers; women can be matched according to residential area, specialty, etc.

e) Exchange of information for those men and women who would like to pursue a "part-time" work schedule, including finding partners, information from other departments on creative scheduling possibilities, etc.

f) For families where both parents are doctors, information on the support organization called "Dual Doctor Families".

The implementation of these recommendations is still in the preliminary stages, but already substantive issues of concern to men and women scientists and physicians have been identified. An effort is being made to work towards an environment at the Medical School which would nurture both personal and professional qualities together, not to the exclusion of each other, as had sometimes been the case. As physicians, we are trained in the importance of overall health, a process we are hoping to apply to our own lives.

PREPARED STATEMENT OF THOMAS L. BIRCH, THE NATIONAL COMMITTEE FOR PREVENTION OF CHILD ABUSE

Introduction

Every year more than one million children in the United States are seriously abused by their parents and over 2,000 die from abuse. Our best information says that these numbers are on the rise.

The pain experienced by any of those children should be enough to motivate us to stop abuse before it occurs. But if this is not enough, consider what we know about the effects of abuse.

Each case of identified child abuse costs society dearly -- generally $2,000 or more just for an investigation and short-term treatment. When a child must be hospitalized or put in foster care or a parent incarcerated, the costs rise significantly.

Once the immediate crisis and the response to the abuse have passed, there are usually other costs. Abused children suffer a wide variety of developmental, emotional and physical difficulties. Some need to be institutionalized. Others require special education. Some become juvenile delinquents or teenage runaways. Some may be pulled into prostitution and pornography; others may suffer drug and alcohol addiction. The costs to society continue into adulthood. Of the nation's male prison population, 80 to 90 percent were abused as children. And violence is learned as an acceptable way to handle problems: many times parents who abuse were themselves abused as children.

It should be obvious that it is cheaper to put our resources early on into programs for preventing child abuse rather than spend dollars later for treatment and remediation. A recent study in Michigan demonstrates the value of investing in child care. An examination of the effects of a preschool program on youths through age 15 shows that for every $1,000 invested in child care, at least $4,130 will be returned to society in the form of reduced costs for education and legal processing for delinquent behavior and increased lifetime earnings.

The National Committee for Prevention of Child Abuse (NCPCA) has identified child care as an important program that can be helpful in preventing abuse. Much of the information in this statement has been gathered from NCPCA publications: An Approach to Preventing Child Abuse by Anne H. Cohn, Strengthening Families Through the Workplace by Peter Coolsen, and the forthcoming Child Care as Child Abuse Prevention by David B. Friedman, June S. Sale and Vivian Weinstein.

Child Care as Prevention

Child abuse is a community problem; prevention is a community responsibility.

Experts in treating abused children agree that for child abuse to be prevented families need support at different times, and so a comprehensive set of programs should be brought to bear on the problem. This includes perinatal support; education for parents; early and periodic childhood screening and treatment; treatment for abused children; parental support groups; family support services including health care, crisis counseling, and day care; and public information on child abuse.

NCPCA believes that child care is an integral program in preventing child abuse by enhancing family life. Good child care programs can significantly contribute to the prevention of child abuse. In fact, in most subsidized child care, abused and neglected children have first priority for service.

Good child care services can fill many of the goals of a comprehensive child abuse prevention program: enhancing emotional ties and communication between parents and children, increasing parents' skills in coping with the stresses of caring for their children, reducing family isolation, increasing peer support and improving access to social and health services for the family. Without optimal child care services, the risk of child abuse increases.

Families Under Stress

Most child abuse occurs in families under stress. Stress is a common denominator in explaining why parents abuse their children. Research has shown us that stress is likely to result in abuse if the parent lacks the skills for raising children. Other research has suggested that the availability of daycare alleviates depression in mothers and increases family well-being. The rising numbers of families with both parents or with single parents in the work force brings with it a rise in the level of stress facing working parents and their children. It is difficult for parents to handle the responsibilities of being both parents and workers. Child care must be viewed as a support for these families.

How Child Care Helps Families

Child care encompasses several types of substitute care -- it may be daily or occasional, crisis-oriented or routine, in the home or away -- but whatever variety, child care can be especially helpful to parents who are at risk of abusing their children. Child care can relieve parents of the stress caused by the demands of constantly having to care for children. Indeed, providing a warm, loving caregiver for a child who has been abused can result in an improved relationship between the parent and child.

Besides the traditional daycare arrangements, encouragement should be given to alternative ways for helping working parents take care of their children. Longer, paid maternity leave, "flex-time" and job sharing are approaches that can help to take the pressure off parents who must work and arrange care for the first years of their child's life.

Crisis Care

Crisis care is another important child care program that is crucial for preventing child abuse. These services may vary from crisis home visits by persons who baby-sit to crisis nurseries. Parents who feel enormous pressure can bring their children to a crisis nursery for several hours or several days. The time away from the demands of a child can give a parent the chance to relax and prevent a parent from venting frustrations on a child. Crisis care nurseries provide at least minimal service -- the time away from children for harried parents. The most effective services are available 24 hours a day and provide other help, or referral to services in the community for parents and children.

Handicapped Children at Risk of Abuse

Disabled children, whose special needs place unusual demands upon parents often unprepared to cope with the new burdens, are children at high risk of being abused. Child care can be important to the prevention of such abuse. As an example of how daycare must be structured to meet the needs of all families, child care services for handicapped youngsters can be of enormous benefit in providing the developmental needs of disabled children while assisting and educating parents in their responsibilities to their children.

Respite care is an often neglected aspect of daycare that is also valuable to families with a disabled child. Caring for a child with special needs creates stress in families. Respite child care offers a parent a few hours of relief from the care of a handicapped child and can be an excellent approach to preventing the abuse that extra burden might cause.

Latchkey Children: Neglected and Without Care

Special problems of care exist for latchkey children, school-age children of working parents who care for themselves and their siblings before and after school and during vacations. These children are sometimes referred to as children in self-care. It is estimated that 2 to 4 million children return from school to empty homes. Even more alarmingly, 20,000 to 50,000 preschoolers are left in self-care while parents are at work.

A study conducted in 1980 indicated that one of every six calls made to the fire department of a major city involved children in self-care. In a study of inner-city and suburban elementary school children in the Washington, D.C. area it was found that many children experienced significant fear and isolation in self-care arrangements. Unsupervised children are also more likely to become victims of crime and sexual molestation.

Potential solutions exist to the problem of latchkey children. Creative structuring of work time through flexible working hours, job sharing or permanent part-time employment can help working parents arrange work schedules to be with their children after school. In communities like Arlington, Virginia and Evanston, Illinois, the public elementary schools have instituted before- and after- school programs where students receive supervision and participate in activities. Fel-Pro, a corporation in Skokie, Illinois, runs a summer day camp for children of its employees. In Houston a hot line service called Chatters assigns children in self-care a telephone counselor who is available for advice, information and assistance.

Employer-supported programs, public schools and other community programs, neighborhood child care cooperatives, hot lines and self-care survival courses are all possible answers that communities need to explore in caring for their latchkey children.

Therapeutic Daycare

Daycare has another role to play in preventing child abuse, and in treating children who have been abused.

Child care programs have employed therapists to work with abused children -- and have been especially effective with children who were sexually abused, to help relieve the anxiety and fear they experience from having been abused, and to develop improved self-esteem in the youngsters. Because prevention of further abuse should be a major goal of therapeutic child care, parents are involved in the program too, receiving counseling and participating in the program's activities with their children.

Daycare Addresses Causes of Abuse

Child care plays a role in child abuse prevention by supporting parents in doing a good job of raising their children. Knowing their children are safe and well cared for can give parents the assurance needed to relieve the worry and feelings of guilt parents might have while at work or away from home. The knowledge that their children are in good hands can enable parents to pursue their work with a good frame of mind. The quality of their work benefits.

Without the assurance and time away from child care responsibilities, parents can become tense and less able to cope with the pressures of rearing their children. The result could be a lowering of self-control and risk of harm to their children. Experts have noted this sequence to be especially true for parents who were abused as children.

Isolation is a factor affecting a family which often contributes to child abuse. Appropriate child care services can provide relief from isolation by providing contact outside of work for a child's parents with adults in the same community. A child care center teacher or other parents with children in the program can offer some relief to a parent who feels isolated.

Daycare center teachers can also help parents learn better how to care for their own children. Parents who have abused their children or may be liable to abuse often have unrealistic expectations of their children's capabilities. Daycare teachers can help mothers and fathers understand and accept normal child behavior. They can show parents how to cope with the stresses of rearing children, and they can do this without weakening parental authority or undermining family values.

Identifying Potential Abuse

Finally, daycare services can provide a way to identify children and families at risk of physical or sexual abuse before it occurs.

From the time a child is born, when medical services are involved with the family, to the time when a child enters school, there is a gap during which the family may be without ties to the community and without support or guidance from society.

Knowledgeable , trained daycare workers providing good child care services integrated into the neighborhood can learn to recognize the signs of trouble in families that can lead to physical and sexual abuse. Sexual abuse, for example, among family members is most often discovered at the junior high school age, but much sexual abuse exploitation has its roots in the preschool period. Early identification of a problem can provide the opportunity to guide these families to seek help in the community before it is too late.

Supplementary Information for Sarah Harder's Testimony before the U.S. House of Representatives Select Committee on Children, Youth, and Families

Through its Families & Work Project, the American Association of University Wom has initiated "Family Advocacy & Problem-Solving through Community Partnerships," a community project designed to support families and communities by involving individu family members and representatives of agencies and organizations serving families in cooperative efforts to identify dependent-care needs, assess existing resources, and develop plans to better address families' needs for quality dependent care. The project model is being tested in three diverse communities: Little Rock, AR; Los Altos/Mountain View, CA; and Muncie, IN and disseminated to individuals and communit through regional training sessions offered by the project's regional coordinators.

A major tenet of this AAUW project initiative and earlier phases of the Families & Work Project has been that community problems require community solutions. Grassroots participation in planning for solutions to address community needs with multip opportunities for checking back with current and potential users of services insures that plans made will truly address the needs of community families. Cooperation between users and providers also builds support for the community plan which is the end product of the cooperative planning process.

The project model also provides a structured format for family-support groups which offer a context in which family members wrestling with the difficulties of finding care for a dependent family member can share their knowledge of community resources and offer one another concrete and emotional support. Such groups embody the kinds of informal networks through which family members learn about services available in their communities and suggest the kinds of mechanisms designers of new or modified community programs and services should tap into as they plan the outreach components so vital to publicizing community services.

Findings in the three pilot communities indicate that available services are oft underutilized in spite of the fact that families which are potential users of existin services are frequently making do with unsatisfactory child care arrangements or even actively engaged in exploring options for care for dependents. There seems to be a gap between service providers and the public their programs are designed to serve; the word isn't getting out to the right people. Although information and referral services can partially bridge that gap, substantial time, energy, and money need to be devoted to reaching out to the appropriate target population in the community and to identifying mechanisms which are effective in getting the message out to those who are potential users of services now or will be at some time in the future.

Findings also indicate that options for care of children of parents who do shift work or must work on week-ends are extremely limited or even non-existent. Although hospitals sometimes provide child care around the clock, their programs are usually limited to children of hospital employees.

For these reasons, AAUW supports the 98th Congress's initiatives in the area of child care. Specifically, the Child Care Information and Referral Bill (HR 2242/ S 1360) is a step in the right direction. Establishment of information and referral centers will undoubtedly result in fuller use of existing child care slots. AAUW recommends, however, that designs for proposed information and referral centers inclu a well-articulated plan for strengthening the informal networks through which communit families obtain information about community resources and available programs and services. Funding requests for proposed centers should be required to include such a plan. Families need to become aware of the fact that information and referral centers exist in their community and that they as parents have access to the services they provide.

Research on the relationship between sources of information and service utilizati conducted by L.G. Branch for Boston's Commission on the Affairs of the Elderly and reported in the February 1984 issue of The Gerontologist indicated that potential users of services most often secure information through informal networks rather than through the media or formal information sources. This finding is consistent with findings in the pilot sites and leads to the conclusion that considerable effort must be devoted to publicizing information and referral or other community servic through informal networks if they are to serve the maximum number or potential us who are in the greatest need. So many families have been managing for so long wi makeshift, patchwork child care arrangements that they may have lowered their expe ations or even dropped out of the group of those actively seeking child care. Suc families need to be made aware of the existence of information and referral servic as a mechanism for increasing their child care options. All too often, perhaps as a result of the knowledge that there are not nearly enough slots to begin to meet child care needs in a community, information and referral services are not publici particularly among those constituencies most in need, those who have the fewest options because of limited resources in the areas of money, time, and education.

The Child Care Information and Referral Bill will allow for a small increase number of children who are able to receive adequate care by insuring that all slot currently available are filled but does not speak to the fact that many more child care slots are urgently needed. Our first recommendation, therefore, logically and inevitably leads to another, that this country adopt child care as a top prior and explore equitable systems to be used in facilitating creation of more child care slots to serve those in need. The need has been demonstrated over and over a and it is clearly not going to go away. Attempts must be made to institute progra which offer care to all children, those whose parents must work as well as those whose parents are seeking training so that they will be able to find jobs. However Such programs must address the child care needs of a diverse population including those who work nights and week-ends.

AAUW supports the 98th Congress's action with respect to the needs of an often forgotten, invisible population, latch-key children. The School Facilities Child Care Act (HR 1531/ S 4193) will undoubtedly have a positive impact on the lives of many school-age children by providing a safe, supervised environment in which children can participate in activities which meet their developmental needs. Space in school facilities is available in every community. Encouraging public and non-p organizations to develop replicable programs serving school-age children by providi seed money is certainly sound use of limited financial resources. The concept of a national clearinghouse on school-age child care will insure that funding will hav the broadest possible impact by facilitating exchange of information.

WG
THE HOUSE WEDNESDAY GROUP
385 HOB Annex #2, Washington, D.C. 20515 (202) 226-3236

August 6, 1984

Honorable George Miller
Chairman
Select Committee on Children, Youth and Families
385 House Annex 2
Washington, D.C. 20515

Dear George:

I understand that the Select Committee on Children, Youth and Families is planning to publish a major report compiling a wide range of policy recommendations on child care.

As you may know, 23 members of the Wednesday Group recently released a report ("Women in American Society") which focuses on child care, among other issues, and makes specific recommendations in this area. We would be pleased to submit the relevent section of the report (Family Care), to the Select Committee for inclusion in its report, and have enclosed a copy for your review.

I should add that our report does not represent the views of the Wednesday Group as a whole, but is rather a staff report which has been endorsed by 23 individual members of the Group.

I would be happy to discuss the report and its recommendations with you at any time.

Sincerely,

Bill

William Clinger
Chairman

Enclosure

WG THE HOUSE WEDNESDAY GROUP

386 HOB Annex #2, Washington, D.C. 20515 (202) 226-3236

NEWS RELEASE
June 21, 1984

Contact: Steve Hofman
(202) 226-3236

CONGRESSIONAL REPORT PROPOSES REPUBLICAN AGENDA FOR WOMEN

- "While macroeconomic improvements such as GNP growth and inflation reduction are vital to the well-being of our nation as a whole, they are not sufficient to alter the social and economic predicaments of women," asserts a Special Report on Women in American Society released by a group of House Republicans known as the Wednesday Group.

Prepared by Dr. Joyce Van Dyke, Project Director on Women's Issues for the Wednesday Group, the report outlines a reform program for women which combines "many new Congressional initiatives with a stress on enforcement of important existing anti-discrimination laws, such as laws prohibiting wage discrimination on the basis of sex." Members releasing the report include: Bill Clinger (PA), Olympia Snowe (ME), Doug Bereuter (NE), Barber Conable (NY), Hamilton Fish (NY), Bill Frenzel (MN), Bill Green (NY), Jim Leach (IA), Lynn Martin (IL), Joel Pritchard (WA), Nancy Johnson (CT), Marge Roukema (NJ), Bill Whitehurst (VA), Bud Hillis (IN), Jim Jeffords (VT), John McKernan (ME), Stew McKinney (CT), Tom Ridge (PA), Joe McDade (PA), Sid Morrison (WA), Clay Shaw (FL), Silvio Conte (MA), and Ralph Regula (OH).

The failure of civil rights enforcement efforts — "often subject to both political and bureaucratic whim" — testifies "to a half-hearted federal commitment to rectifying sex discrimination," the report contends. For example, 40% of employment cases involve sex discrimination charges, and "a sizeable number of [EEOC-filed] charges (8,585 in FY'82) were closed without investigation, placing the burden of investigation back on the complainant's shoulders."

The report recommends that Congress require "EEOC and other appropriate federal agencies to investigate in a timely fashion all sex-based wage discrimination charges, and correct any cases in which a finding of discrimination has been made." The report contends that this reform "is probably the single most important step we can take to improve the economic situation of women." The report also recommends that Congress pass legislation requiring mandatory enforcement of all civil rights laws once there is an administrative finding of discrimination. Under the current system, the Justice Department and EEOC are not required to enforce agency decisions. This has resulted in meritorious cases gathering dust in Department files.

The report also documents the inequities faced by women entrepreneurs, noting that "key enforcement provisions of the Equal Credit Opportunity Act of 1974 were extended to consumer loans but not to commercial loans. The rapid growth of women in business since the Act was passed [women today own 25% of small businesses] makes the extension to commercial loans imperative."

The report also recommends that Congress should "demonstrate a strong federal commitment to giving women [business owners] access to federal money that filters down to state and local levels." It recommends that the federal prime contractor and federal procurement officer "negotiate a subcontracting plan to award a reasonable proportion of subcontracts to women business owners." Noting that "winning federal subcontracts is, for many women business owners, the best means" to enter the mainstream of American business, the report points out that currently "there are no legal incentives... for prime contractors to contract with women-owned firms."

The report also discusses family care issues, noting that it is "radically unrealistic to regard child care... as a working woman's problem and not as an issue of general public interest." Yet "our country has no federal commitment to planning, policymaking, development or promotion" of essential dependent care services, despite the fact that "the majority of mothers (54%) are in the paid wor force," and "the population for which women have traditionally cared — children and the elderly — is increasing." By 1990, "there will be over 23.3 million children under age 6, up from 18.9 million in 1980. During the 1980s, the elderly population will grow even faster, by 6.3 million people."

The report recommends that Congress "require HHS to develop an appropriate program to promote the development of high quality, varied, and cost-effective dependent care services." In addition, it recommends a Labor Department study of existing disincentives to the use of flexible work schedules such as job-sharing and flexitime, in order to expand their use in the private sector.

The report also notes that Social Security "covers more women than men, yet the system fails to account for the different life patterns of women," renderir retired women especially vulnerable to poverty. Women receive low Social Security benefits for numerous reasons, including: divorce ("in 1982, the average benefit for divorced women was $192 per month"); "the system's penalty against an interrupt earning career"; and the penalty for two-earner couples, most of whom "actually get a lower benefit than one-earner couples with the same income."

Recognizing this, the report recommends that Congress "develop appropriate legislation" to implement Social Security earnings-sharing. Under earnings-sharing the earnings of husband and wife would be pooled and divided equally for purposes of calculating benefits upon retirement or divorce.

The report asserts: "A deeper commitment from both major political parties is required to change the biases against women which are built into our country's institutions, programs, and policies. The challenge that "women's issues" poses to our nation is not only a challenge to reform our laws; it is also a challenge to enlarge our vision."

NC SPECIAL REPORT

ON

WOMEN IN AMERICAN SOCIETY

Family Care

Major changes in the economic structure of American families, including the ever-increasing employment rates of mothers of infants and young children, have led to rapidly expanding family care needs. These include child care, elderly dependent care, and more flexible employment arrangements which can accommodate family life and growth when both husband and wife are employed. But public policy and current employment practices have not recognized these rapidly changing conditions.

HISTORY

In the late 1940s, about 80% of households were married couple families, and wives had earnings in about 20% of these families. But by I979, the two-earner marriage had become the dominant form: only 33% of marriages preserved the arrangement of earning husband/non-earning homemaker, while 50% of white marriages and 57% of black marriages had two earners. In addition, there was a spurt in the number of women who were single heads-of-household. In the early 1970s, 12% of families had single parents (usually women), but by 1980 20% of all families did.

The federal government first began funding child care centers in the 1930s. Administered by the WPA, these centers were not designed to help women enter the job market, but were created primarily to provide meals for poor children. In 1943, the federal government again appropriated funds to provide care for some of the children whose mothers had filled job vacancies during World War II. But this was a temporary measure, and federal funds were cut off when the war ended.

After the war, the number of mothers entering the work force continued to grow. In 1950, 12% of married women with children under six were working; by 1960, 19% were in the work force; by 1970, 30%; and by I981, 48%.

In response to this trend, as well as efforts by women's organizations and the 1970 White House Conference on Children, which urged the development of "comprehensive child care programs," Congress made several attempts during the 1970s to pass major child care legislation. But these efforts were frustrated by child care critics, including President Nixon, who vetoed a 1971 $2 billion child care appropriation passed by Congress.

Yet child care services continued to expand during the 1970s, along with an increasing perception of their positive contribution to children's cognitive and social development. Nursery school enrollments doubled during the decade, with most of the children from families earning $25,000 or more. Child care for low-income families was funded through direct subsidies (under Title IV and later Title XX of the Social Security Act). By the late 1970s, states were using nearly one-fifth of federal social services funds (about $650 million) to provide licensed child care for about 750,000 low or moderate income children. Available spaces in centers remained few, however: by 1975 there were about one million spaces in licensed programs for 6 million pre-school children. Moreover, the expanding family day care market, where several children are cared for in private homes, was largely underground and unlicensed.

With the 1970s political climate unfavorable to comprehensive child care legislation — which was criticized by opponents as intrusive and anti-family as well as formidably expensive — proponents of child care turned to the tax code to help parents cover some of their work-related child care expenses. The 1976 Tax Reform Act changed what had been a modest child care deduction to a tax credit for 20% of employment-related expenses for dependent care. In 1981, the maximum dependent care tax credit was raised, and for taxpayers earning less than $10,000 the rate of credit increased from 20% to 30% of expenses.

During the 1970s, the private sector began to provide some assistance to employees with child care responsibilities. By 1982, an estimated 415 employers — including Wang, Johnson and Johnson, Corning Glass, Honeywell, and General Mills — contributed to some form of child care assistance, ranging from on-site child care (at about 60 sites) to parenting seminars. About half of these employers were hospitals, three-fourths of whose workers were women. A survey of employers providing child care found that many reported significant benefits, including reduced absenteeism and turnover, increased productivity, and improved recruitment.

The largest employer to provide child care services during this period has been the Defense Department, according to a 1982 Women's Bureau report. First officially authorized in 1978, these services are funded through the Department's appropriations, parent fees, and non-appropriated funding at the installations. In 1982, The Army's 281 child care programs (about 60% of them in the U.S.) served approximately 23,000 children with the objectives of "[reducing] conflict between parental responsibilities and unit mission requirements" and contributing "to the quality of life and well-being of families in the command with young children."

CURRENT SITUATION

Today the majority of mothers (54%) are in the paid work force, and most mothers who work do so fulltime. Work force participation among women with infants and children under three has grown rapidly, to 46% in 1983. The prosperity of American families increasingly depends on the wife's as well as the husband's income. More than two-thirds of black children in families with incomes over $15,000 have mothers in the work force. Further, about 60% of all children who are growing up in families with incomes over $25,000 have mothers in the work force.

While women's rate of labor force participation is expected to continue to increase, men's participation is expected to continue its current decline. Experts predict that by 1990, 77% of men and 60% of women will be in the work force. By 1990, then, women are expected to make up 46% of American workers.

At the same time that more women are entering the work force, the population for which women have traditionally cared — children and the elderly — is increasing. The Census Bureau projects that by 1990 there will be over 23.3 million children under age 6, up from 18.9 million in 1980. During the 1980s, the elderly population will grow even faster, by 6.3 million people.

Adding to the need for dependent care has been the rapid increase in single-parent families, nearly all of them headed by women. The proportion of children living with one parent has risen from 12% in the early 1970s to about 20% in 1980, and 50% of all American children are expected to live with only one parent at some time before they are 18. At a minimum, then, one-fifth of all children now live with a single mother who must work (65% of single mothers do) or else survive on public or private assistance. Families headed by single women are the group with the highest poverty rate in the nation: in 1982, they made up 46% of families living below the poverty line.

In a 1979 survey of over 80,000 employed women, one-third of those with dependent children reported that child care continued to be a serious problem: 29% of clerical, sales, service, and blue-collar workers, and 36% of managerial, professional, and technical workers found it a significant problem. While there is no definitive data on the numbers of "latchkey" children who go without care while their parents work, most estimates indicate that this is the case for millions of children, perhaps as many as 7 million. Moreover, inadequate dependent services can also be a problem when women are not in the work force. One out of eight retired women in 1975 said they retired because they were needed at home to care for elderly dependents. Further, according to a November 1983 Census Bureau report, 36% of mothers staying at home with preschool children in families earning under $15,000 would look for a job if affordable child care were available.

Despite recent increases in child care support for middle and upper-middle income families through the Dependent Care Tax Credit (an estimated $1.5 billion in FY'83), direct child care funding for low income families has been cut substantially over the last several years. According to a recent survey by the Children's Defense Fund, the 1981 cut of 21% in federal funding of the Social Services Block Grant triggered further state cuts, and 32 states are consequently providing care for fewer children than three years ago.

Another major concern in the area of family care is the lack of reliable and comprehensive data on national, state, and local needs and services. The most recent (and only) national survey of child care centers was done at the direction of the Administration for Children, Youth, and Families (Department of Health and Human Services) in the mid-1970s. No national survey has ever been done of before and after school care services, or of the approximately 700 adult dependent care programs. Moreover, states no longer need to report how much they are spending on child care under the Social Services Block Grant.

Flexible work schedules is another area of concern to women and families. Schedules such as job-sharing and flexitime, flexible leave policies, and part-time jobs with pro-rated benefits were recommended by more than 90% of delegates to the 1980 White House Conference on Families as a means to ease work/family conflicts. But few employers and managers have shared this concern.

Two groups especially interested in flexible schedules are working parents and older workers. More than three-fourths of Americans age 55 and over reported in a recent survey that they would prefer part-time work to fulltime retirement. Management expert Peter Drucker has predicted that "Flexible age retirement is going to be the central social issue in the United States during the next decade." In a 1978 survey of women by the National Commission on Working Women, 25% of respondents employed fulltime felt that not being able to work part-time was a significant problem.

A very different family care issue which has become a significant public policy concern during the last decade is domestic violence. Violent assaults within the family -- usually directed against women and children -- are increasingl defined as criminal acts rather than private acts of violence outside the scope of the law. The consequences can be deadly: according to a 1982 FBI report, 30% of all female homicide victims are killed by husbands or boyfriends.

Domestic violence is still widely underreported, and even when reported rarely leads to arrest or prosecution. Providing shelter and assistance for battered wives, and increasing arrests of offenders are two ways in which states and localities are attempting to decrease domestic violence. For example, Virginia, which reported in 1980 that spouse abuse is the most frequently committed crime in the state, enacted a new law to fund shelters for family violence victims. In 28 states, recent laws make it possible for police to more easily arrest offenders, a proven effective deterrent to subsequent attacks.

RECOMMENDATIONS

In the area of family care, Republicans have provided crucial leadership on child support enforcement legislation, a proposal which would ensure that women receive court-ordered child support payments. After Republican women legislators initiated a series of meetings with White House advisers, compromise agreements were worked out on child support enforcement and other provisions of the Economic Equity Act, including the Dependent Care Tax Credit. The child support legislation has passed both houses of Congress and has the support of the Administration. It is necessary that this legislation be implemented and tracked effectively to help break the link between poverty and single women who head families.

House Republicans also gave strong support to the Child Abuse Amendments (H.R. 1904) which in addition to authorizing funds for child abuse prevention programs, provides for shelter and assistance to family violence victims, and for family violence program training for governments and agencies.

To encourage employers to contribute to employees' child care needs, the White House Office of Private Sector Initiatives has been holding meetings with business executives around the country. Among the many successes of the program was the response in Portland, Oregon where $35,000 was raised from involved corporations to set up a citywide computerized "information and referral system" for child care services. Further creative government/private sector initiatives would help to extend a network of dependent care services which are essential to the well-being of American workers and their families.

1. Dependent Care Development

- Congress should require the Department of Health and Human Services to establish a Dependent Care Development Program to sponsor and promote new approaches to high quality cost-effective programs of dependent care.

As discussed earlier in this report, the reality today is that the majority of mothers are not at home with their children: they are at work, and most working mothers work fulltime. As former President Gerald Ford recently wrote, "We can no longer accept the argument that by providing child care, or day care, we are enticing women out of their homes and away from their primary care responsibilities. Women are already outside the home and searching for quality care for their children... Today, any working parent needs to be able to find good care at a reasonable cost."

Congress should require HHS to develop an appropriate program to promote the development of high quality, varied, and cost-effective dependent care services. Currently, our country has no federal commitment to planning, policy-making, development or promotion of these essential services. While the federal government could not administer or fund care for all dependent children and adults without massive tax increases, there are numerous dependent care initiatives that HHS could undertake.

These actions include: regular surveys of dependent care services nationwide; giving states access to the most effective licensing and/or registration programs for child care providers; encouraging states to implement before and after school care; developing programs for special dependent care needs such as elderly dependent care, sick child care, and disabled dependent care (there are approximately 4.1 million disabled school-aged children, and about 500,000 under six years of age); and encouraging employers to adopt flexible work schedules and parental leave policies.

2. Restore Social Services Block Grant Funding

- Congress should restore part of the reduction in the Social Services Block Grant by raising it from $2.7 billion to $2.9 billion for FY'85, and it should re-establish a minimum for dependent care expenditures under the block grant.

Most families using Title XX child care under the Social Services Block Grant are headed by women. Working mothers who lost Title XX child care when block grant funding was cut in 1981 from $3.1 billion to $2.4 billion (a 21% cut) have had to choose between poorer child care, no child care, or leaving their jobs. In a majority of states, Title XX child care has been cut even as the need is increasing; and in a significant number of states, child care has been cut by more than the general 21% cutback. Moreover, parents eligible for Title XX care are precisely those who cannot take advantage of the Dependent Care Tax Credit because they pay little or nothing in taxes.

Congress should restore a part of the cutback in the Social Services Block Grant (which adjusted for inflation, would have grown from $3.1 billion in FY'81 to $3.4 billion in FY'84), and re-establish a minimum expenditure under the grant on dependent care — both for children and for elderly dependents. Previously, Title XX had a $200 million minimum for child care, but this was eliminated when funding was cut.

3. Alternative Work Schedules

- Congress should require the Department of Labor to do a study of disincentives to the expansion of alternative work schedules such as flexitime, compressed workweeks, job-sharing, flexible leave policies, and part-time jobs with pro-rated benefits (including part-time work at middle and upper levels).

Flexible or alternative work schedules can be a "win/win" situation for employers and employees. They have been proven effective in increasing productivity reducing absenteeism and lateness, and making more efficient use of transportation facilities. They are usually no-cost or low-cost, and some (e.g. compressed workweeks) can be cost-saving. Part-time, job-sharing and other flexible schedules are a highly attractive option to many parents; among other advantages, they reduce the need for expensive non-familial child care and allow parents to provide more care for their own children. Many Americans 55 and older (expected to be 25% of the total population by 2010) would also prefer for personal and economic reasons to continue working in a part-time capacity; and increased part-time work could help reduce Social Security pay-outs.

Yet alternative work schedules are not used as widely as they could be. Labor unions oppose expanded part-time and job-sharing opportunities; employers do not recognize the value of reducing work/family conflicts through alternative schedules; and unintended tax disincentives (such as the unemployment insurance tax) may inhibit expansion of certain alternative schedules. Congress should require the Department of Labor to investigate any disincentives to such schedules with regard to management, labor, and tax issues, as a basis for action to encourage the expansion of these schedules in the private sector.

- As a model employer, the federal government should authorize the use of flexible schedules in federal agencies to meet the goal of reducing parents' reliance on non-familial child care.

Congress should amend the requirements for using flexible schedules under the Federal Employees Flexible and Compressed Work Schedules Act of 1978 (reauthorized in 1982). These schedules have been widely approved: over 90% of federal employees and over 85% of federal supervisors wanted to retain them. In 1982, flexible schedules were reauthorized in order to increase productivity and better serve the public. Congress should also explicitly authorize their use in order to reduce employees' work/family conflicts and their need for dependent care services.

Prepared Statement of Jan Calderon Vocum, Executive Director, National Institute for Hispanic Children and Families

The National Institute for Hispanic Children and Families /El Centro de Rosemount is a national organization for individuals and agencies whose primary concern is for Hispanic children and families. El Centro de Rosemount acts as a secretariat for the National Institute. El Centro de Rosemount is a model bi-lingual, multi-cultural day care system, servicing children and families of all ages and incomes in a center setting, family day care setting, and in-home settings.

The Institute is committed to serve and advocate the interests of families of diverse backgrounds, emphasizing the understanding and appreciation of cross cultural and humanitarian values in a bi-lingual setting; the maintainence of active community ties, and the development of opprtunities for educational research that will ultimately enhance the fullfilment of these fundamental principles.

Please address inquiries to:

Jan Calderon Yocum, Executive Director
% El Centro de Rosemount
2000 Rosemount Avenue, NW
Washington, D.C. 20010

(202) 265-9885

CHILD CARE/DAY CARE

We would like to take this opportunity to express our gratitude and appreciation for the formation of the Select Committee on Children, Youth and Families initiated by Representative George Miller. We are submitting written testimony which we wish to be included in the record for hearings by the Select Committee on the issue of child care.

We have chosen not to include statistical information on the need for child care, as we feel many other groups will and have addressed that issue. However, we will take the opportunity to address some problems and potential problems we feel are inherent in current legislation which affect child care programs for working families or families who are in training. In addition, we will present some new legislative initiatives, which we feel will contribute to more effective, efficient, non-segregated, parent-initiated child care for all families regardless of other income or age of children.

It is our feeling that the federal government needs to look at how current legislation was implemented and at the end results of that implementation, in order to insure that new legislation will not repeat or result in the same manner.

While we support increased monies for such current pieces of legislation as Title XX, we feel that in advertently the implementation of such legislation by the states and local governments have led to the creation of the most economically and racially segregated system now existing in the United States.

Families are eligible for Title XX subsidies based upon their gross incomes. In many states this gross income is based on the number in the family. We feel that the gross income is not an indicator of how much money a family has to provide for themselves on a daily basis. Nor does this gross income take into account the medical, dental, legal, psychological or funeral bills the family has to pay through no fault of their own. These bills cannot always be anticipated by even the most austere budget. In addition, by using data based on the number in the family, in no way takes into account the ages or the conditions of individual family members who impact on the family's available monies. Families may or may not be charged a fee for their child care. When the family goes over the income level, they are no longer eligible for child care subsidies and must begin to pay the provider's tuition rates. Thus many families, go from paying nothing to paying $50.00 and up per week depending upon the age of their child. Thus the system causes families or providers to lie about their income, the family's income or deny raises or promotions. These policies adversely affect women. Along with the above practices, centers and family day care homes are contracted, in many instances, for 100% of their spaces. The results

contracted, in many instances, for 100% of their spaces.

of these practices mandate that families using contracted facilities are usually the same income group which results in families being of the same race or ethnic group. We have ghettoized our system of child care economically as well as racially. These policies also mandate that families who go over income level must remove their children from facilities that are 100% contracted, because facilities do not have spaces for children other than for those children whose child care is subsidized by Title XX.

We propose that current and potential federal legislation:

1. mandate that contracts will not be let at 100% funding so that as families move up the economic ladder, their child/children will continue to receive consistent care in a familiar setting and that tuition-paying children may receive care at the same facilities as subsidized children, thus creating an economic mix of families. No facility should be contracted for more than 70% of their available spaces.

2. mandate that parents should have choices of providers and that their desires for alternative types of child care, as well as alternate payment plans be part of a comprehensive child care system approved by the Federal government when federal monies are being spent by the states for child care.

3. mandate that parent fees be determined by the state and set up in such a way that no family will have an increase of more than $25 to $50 per month when they go over the established income level.

4. mandate that income levels be established at net income taking into account those expenditures, medical, dental, psychological, legal, and funeral, which cannot be helped by the family.

5. eliminate grouping of family members by number so that family members are identified by age and physical or mental condition in such a way as to determine the economic sufficiency of the family.

It is our belief that adopting the above will assist in the elimination now and in the future of the segregated system currently existing, reasonably insuring parent's choice and meet the goals of achieving and sustaining self-sufficiency as outlined in Title XX in a more efficient and effective manner.

The Child Car Food Program (CCFP) has helped to off-set the high cost of food needed by children who are enrolled in child care programs. We applaud this piece of legislation. However, we feel that the implementation leaves something to be desired. As some of you may be aware, the Department of Agriculture has set amounts of food and drink which must be served to each child regardless of whether they will eat it, drink it or not. Left over food is to be thrown away. In our opinion, this is a wasteful extravagance. Documentation exists of hunger, not only overseas, but also in this country. Yet day after day, in child care centers and homes, food is thrown away. We propose that the legislation mandates that food and drink in required quantities be available to all children who are in child care programs, but that servings are based upon the realistic needs of each child. Children will be encouraged to eat the required quantity. Food will not be thrown away. Legislation should speak to other uses of left over food, such as, giving it to parents, staff or community organizations, as well as , appropriate preparations of left over food.

We support child care information and referral systems. We support partial, time limited, federal funding for such systems. We feel that such funded systems should have within them the capabilities to assist families in their search for child care in their native language. No family should be turned away or discouraged from calling for help because of their lack of speaking English. In many of our urban areas large groups of new immigrants have settled. The majority of them are Hispanic, others are Asian. They work and they need child care. English telephone books are difficult for them to understand. The legislation must insure that

that languages other than English are to be provided, if necessary.

As we have said previously, the need for day care has been stated eloquently by others. Their testimony has documented the need for expansion and up-grading.

We propose the following new initiatives that would assist in the expansion and upgrading:

1. low-interest loans be provided for day care entrepreneurs (centers, homes and systems), to expand, set-up, remodel, purchase equipment and train staffs. These loans would be similar to current S.B.A. loans, but would include non-profit organizations; family day care; child care systems and resource and referral systems. Current S.B.A. loans do not lend to non-profit entities.

2. planning grants be made available for three-year periods for local communities to develop five-year plans that would result in a comprehensive child care system that speaks to their community needs. This five year plan must address the needs of all working families or families in training who need child care at a reasonable cost regardless of their income or the ages of their children. A community committee would be established, consisting of representatives from the public sector, including the schools, private sector, including religious groups and the

voluntary dollar, industry and business, parents of all income levels and providers of child care. Full time staff would be assigned to the committee. The committee would determine child care needs, funding sources, facilities, qualifications, fringe benefits, salaries, transportation, type of care and parent involvement for the community for the next five years. Local communities would have to make a commitment to implement the plan in order to receive said monies.

3. the Federal government would assist states and local communities to develop, coordinate reasonable regulations for child care/ day care in local communities. Fiscal records, reporting systems, bookkeeping and auditing criteria should be minimal and the same at all levels of government. Regulations and policies should be uniform and applied without discrimination to profit, non-profit,church based, government-based or school-based programs. Licencing standards should be based on objective monitoring and take into account value systems of rural, semi-rural, urban, reservation , racial and ethnic groups.

4. the Federal government should require that federal monies used for subsidizing child care costs whether to local governments, families, or providers of child care insure comparable salaries with like professions and fringe benefits for center staffs, family day care providers and in-home care providers. Child

are staffs at all levels are the main subsidizers of child care for children of working families and families in training. This trend must be reversed.

In conclusion, day care is as much an economic development program as a needed service. Taxes paid by day workers as well as families who use day care go to state and federal coffers.

By 1990, as many as 10 million children will require day care services. Legislation, policy, regulations and programs therefore, must take into account all children, not just some children, the hours parents work, and type of care that the parents want for their children, whether that be profit or non-profit day care, group home care, relative care, in-home care or friend care.

Government must develop policies that result in fair and equitable treatment for all families who need and want day care for their children regardless of age, income, or special need.

Thank You

AUG 23 1984

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Project on Equal Education Rights

1413 K Street, NW
9th Floor
Washington, DC 20005
(202) 332-7337

PEER is a project of the NOW Legal Defense and Education Fund

PEER
Director
Leslie R. Wolfe

PEER Staff
Carol Blum
Theresa Cusick
Teresa Layton
Lynda Martin-McCormick
Diana Pieper
Jennifer Tucker

NOW LDEF
Board of Directors
Carol Bryer
Inez Casiano
Mary Jean Collins
Roxanne Conlin
Eleanor Elliott
Muriel Fox
Betty Friedan
Bonnie Howard
Judy Goldsmith
Elizabeth Janeway
Rosabeth Moss Kanter
Joan Krauskopf
Gayle Perkins
Lois Reckitt
Sylvia Roberts
William Sherwell
Eleanor Smeal
John Vanderstar
Jacquelyn Edwards Washington

NOW LDEF
Executive Director
Stephanie J. Clohesy

August 21, 1984

The Honorable George Miller
Chair, Select Committee on
Children, Youth and Families
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Miller:

The Project on Equal Education Rights, of the NOW Legal Defense and Education Fund, and Educational Equity Concepts are pleased to submit the following recommendations for improvements in child care services to the Select Committee on Children, Youth and Families. In addition, PEER has joined with the other members of the Ad Hoc Day Care Coalition in support of a wide-ranging set of recommendations for improvements in child care service delivery. The comments in this letter provide a more detailed discussion of the need to expand training programs and technical assistance services.

Training for child care providers is crucial to ensuring the availability of nurturing, safe, educationally sound child care that is free of prejudice based on race, sex or disability. Training and technical assistance have played key roles in preventing problems from occurring and in identifying and correcting problems present in human service delivery systems. One of the more serious problems which training can alleviate is the transmission of prejudices regarding race, sex and disabilities.

Research on how children develop their images of self and others shows that both sex role stereotypes and racial prejudices surface at a very early age. In fact, the process of sex-role stereotyping begins at birth. Researchers consistently report that adults ascribe different attributes to newborns -- even the same newborn -- depending on whether they think the infant is a girl or a boy. In one experiment, both men and women attributed "fewer fears . . . to the baby when it was labeled 'boy' rather than 'girl.'" 1/ In another experiment adults offered a doll much more often to a 3-month old child when they were told the child was a girl. Other researchers have concluded that boys are punished more for playing with dolls or exhibiting other "feminine interests" -- and are rewarded more clearly when they behave in "masculine" ways. 2/ Other studies indicate, not surprisingly, that child care providers as well as parents reinforce sex-typed behaviors and beliefs. 3/

Data on the development of racial awareness and racial attitudes also indicate that children are aware at very early ages of the negative attitudes of majority adults to minority cultures. To the extent that child care centers are segregated -- and more are, by class as well as by race -- children's absorption of adult prejudices cannot be mitigated by firsthand experience with children of other racial groups. As a result, the child care system reinforces racial isolation. Moreover, in instances where children are integrated, staff must be careful not to favor majority children over minority children. "At its most essential, the child care process is an experience in human relations. As such, the interpersonal behaviors that are manifested in the child care setting are likely to reflect the social structural realities of the broader society." 4/

Child care providers have a responsibility to create a learning environment free of damaging stereotypes; yet they, like any other human service delivery professionals, need training and technical assistance. Child care providers may enter the field because they "love children," but emotions will not help them plan their day effectively, teach productively or run their programs free of ingrained prejudices and biases.

The positive impact of training in general was noted in two major national studies -- the National Day Care Study and Family Day Care in the United States. The National Day Care Study demonstrates, through observations of several hundred classrooms, that in classes supervised by teachers who had "child-related education/training the children show more cooperation, attend longer to tasks and activities and are less often non-involved than is the case where teachers do not have such training. The children also do better on a measure of early achievement -- The Preschool Inventory." 5/

Similarly, Family Day Care in the United States, an exhaustive national study of day care homes, analysed the effects of experience, education, and training on family day care providers. Caregivers "who had some child care training tend to display more teaching, language/information activity, music/dramatic play, and comforting." 6/

In a more specific instance, training and technical assistance has provided crucial help in implementing the mandate to fill a minimum of ten percent of Head Start slots with children with disabilities. At first, little training or technical assistance was provided for grantees. As a result, the first attempts to increase the participation of disabled children were marked by misunderstandings between parents and teachers and among teachers themselves. Four years after the mandate, the Research Access Project was launched to provide information, training and referral services regarding disabled children to Head Start grantees. This training has received high marks from grantees and has been a significant positive support to them. Over 15,000 staff have been trained by "the RAPs," as they are called, since 1978. 7/ The latest evaluation data show that participants made concrete changes in the ways they worked with disabled children as a result of the RAP training 8/, and that training was most commonly cited as the RAP's "most valuable service." 9/

The history of the public school system's efforts to reduce sex and race bias also illustrates the importance of training and technical assistance. For instance, sex bias has discouraged women from enrolling and excelling in traditionally "male" fields -- science, mathematics, and sports are prime examples. Because these biases are ingrained in our cultures, teachers often steer girls and boys into sex stereotyped career and curricular decisions; unless the teachers know better, they conform to biased assumptions, often unwittingly. In-service training has been an important vehicle for teachers to learn how to identify biased behaviors in the classroom and to correct them. Without the in-service training funds provided under Title IV of the 1964 Civil Rights Act, this training would not have been available or as effective as it has been.

The resources for training child care providers are insufficient to fill the need. Ideally, child care providers could afford to purchase training services independently. However, the low salary scales of providers -- many of whom work for subsistence wages -- clearly make that solution impossible. For the foreseeable future, then, the only way we can hope to move towards a trained, enlightened and humane child care system is to invest -- rather than eliminate -- funds for training.

Most of the small amount of training money available comes from the federal government. Few states require or fund training for child care providers; only 11 states require any training at all for the largest group of providers, family day care workers, according to a 1984 study by The Children's Foundation. 10/ Within this group of 11, training requirements range from a one-day program prior to licensure to a requirement that providers return annually for coursework in order to maintain their licenses. Moreover, their jobs are structured in a way that precludes them from taking part in training that occurs during the regular work day. For center-based child care providers, only 27 states plus the District of Columbia have incorporated the Child Development Associate (CDA) credentialling requirements into state licensing regulations as an option for preschool teachers. 12/ Finally, the standards are extremely lax for teacher aides in center-based settings, even though they spend more of their day in direct contact with children than others on center staffs.

Even more of an indictment is the fact that these statistics concern licensed child care settings. As the Committee knows quite well, the overwhelming majority of children are cared for in unlicensed, unregulated child care settings. People running underground businesses are unlikely to seek out training and technical assistance.

Despite the desperate need to professionalize child care providers, direct federal support for training has been slashed in recent years. Title XX funds for training have been folded into the Social Services Block Grant, which itself has been cut back significantly. In Connecticut, the New Haven Teacher's Center, which formerly received $100,000 annually from the state's Title XX funds to conduct training for several hundred day care providers, received only $15,000 last year. Head Start funds for training reach only a small percentage of providers, and those are within the smallest sector of the community -- center-based providers. And while the Child Development Associate National Credentialling Program has expanded to include Family Day Care Workers, it is facing extinction in 1985 unless Congress intervenes. In addition, the CDA Program, even if it were funded, cannot be counted on to provide all of the training needs of either family day care workers or center-based staff. Over 90 percent of those who successfully complete the credentialling program seek outside training, usually through community colleges or Head Start programs, before they go through the CDA process. In addition, family day care providers need "umbrella groups" to provide substitute care so that they can get out of their solely-owned and operated businesses and take courses without risking their livelihood to do so.

A national child care training program must be established. Direct federal support for training is necessary to fill this critical need; this support could be accomplished in several ways. First, funding for current programs should be increased, since the training needs of Head Start and Title XX-funded centers are already larger than current funds can support. Title XX funds should be increased and training funds should be earmarked. Head Start training money should be increased, particularly since smaller centers are liable to lose the impact of training dollars under the new system of allocating scarce funds directly to centers.

Second, in-service training should be expanded to non-Head Start centers and family day care providers. Head Start has developed highly successful training models that could be used by other, non-federally supported, centers and family day care providers. Training centers should be established or, in some cases, the mandate of existing centers should be expanded to cover these groups. In addition, the CDA National Credentialling Program should be made available on a wider scale, and funds should be appropriated to permit a program to train trainers on how to implement the model in their region or state.

Third, more training must be provided for new entrants in the child care field. Vocational education and other federal education funds could be expanded to include child care training at high school and community college levels. Fourth, a discretionary grants program could be established at the federal level to support the development and dissemination of new models of training, and to support the improvement and expansion of models with a proven track record. Fifth, federal training programs should mandate the infusion of a non-biased perspective throughout the curricula; in addition, funds should be set aside to train providers specifically on techniques for eliminating race, sex, and disability bias in their settings.

Sixth, the federal government should support the development of family day care "umbrella groups," so that isolated family day care providers could supply back-up care for one another while attending training sessions and courses. Seventh, student scholarship and loan programs should be adapted to permit child care providers to attend colleges on a part-time basis. Presently, providers cannot qualify for loans or federal student financial aid unless they are willing to attend school full-time.

Finally, the federal government should use its influence to urge states to adopt stronger licensing standards, which include more training in child development and provision of child care services. As part of this effort, the federal government could develop model legislation, in conjunction with states which are leaders in the field, for dissemination nationwide.

PEER and Educational Equity Concepts believe that a national child care policy is urgently needed. As a nation, we can ill afford to neglect the needs of our youngest children for educational experiences devoid of bias. Those who have chosen child care as their career should be offered both our financial and intellectual support.

We will be pleased to provide any additional information which you and your staff may need; we appreciate this opportunity to share our views with the Select Committee and thank you for opening the national debate on child care once again. We hope our comments will be helpful to you as you formulate some much-needed solutions to these pressing national problems.

Sincerely,

Barbara Sprung

Leslie R. Wolfe
Director
Project on Equal Education
Rights

Barbara Sprung
Co-Director
Educational Equity Concepts

NOTES

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Two-Parent Earner Families: Work Schedules and Their Implications for Child Care and Family Life

Harriet Presser

University of Maryland

Paper presented at the MacArthur Foundation's Conference on Child Care: Growth Fostering Environments for Young Children, November 30, 1982. The author gratefully acknowledges the computer programming assistance of Virginia Cain and the manuscript preparation of Susan Cunningham. This paper was written while the author was a Guest Worker at the Laboratory of Socio-Environmental Studies, National Institute of Mental Health.

One of the most significant social changes in our society in recent decades has been the rapid growth of the female labor force. In 1950, 29 percent of the labor force were women; by 1981, it was 42 percent (U.S. Department of Labor, 1982). The composition of the labor force has become increasingly female primarily because of rising rates of participation among women, but a contributing factor is the declining rates of participation among men. In 1950, 34 percent of all women were in the labor force, and 87 percent of men; by 1981, the percentages were 52 and 78, respectively (U.S. Department of Labor, 1982).

This marked increase in female employment is undoubtedly related to changes in family structure that occurred during this period, notably the rising rate of divorce and separation. Women experiencing such marital instability have consistently had higher rates of labor force activity than married women living with their husbands. So, too, have single (never married) women, and this group has increased as a percent of all women with the recent postponement in age at first marriage. But the labor force participation rates of women of *all* marital statuses has risen substantially in recent decades; indeed, the most dramatic rise has been young married women, particularly those with young children. In 1950, 24 percent of married women (husband present) were in the labor force, and 12 percent of married women with children under six years of age (U.S. Department of Labor, 1980); by 1981, the percentages increased to 51 and 48, respectively (Hayghe, 1982). Having a young child now accounts for a reduced participation rate among married women of only three percentage

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points.

The growing rate of labor force activity among married women has led to an increased interest in what sociologists have termed "dual-earner" families -- families in which both husbands and wives are employed. This is now the most common family type in the United States, representing 52 percent of all married-couple families in 1981 (husband-only and husband-other earners constituted 30 percent; and the remaining 18 percent included wife-only earners, other earners, and no earners; Hayghe, 1982). Over half (58 percent) of dual-earner couples have children under 18 years old -- that is, are "two-parent-earner couples"; 24 percent of such couples have children under six years old (U.S. Department of Commerce, 1982a). Although the percent of these couples who both work full time is not available, we do know that in 1981, 67 percent of employed married women with children under eighteen years of age worked full time, and 65 percent with children under six years of age (unpublished data from the Bureau of Labor Statistics).

Clearly, the socio-environmental context of rearing young children has changed substantially in married-couple households due to the increasing proportion of two-parent earners. This generates a growing need for nonparental child care for most of the day when children are of preschool age. As we have documented elsewhere with national data from the June 1977 Current Population Survey (Presser and Baldwin, 1980), working parents of preschool-aged children have made a variety of child care arrangements. But we have also shown that a substantial

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minority of mothers of preschool-aged children were not in the labor force because they could not find satisfactory child care at reasonable cost (about one-fifth); and among those employed part time, there was a substantial proportion (about one-fourth) who indicated they were working fewer hours than they wanted because of child care problems.)

The 1977 data also revealed (Presser, 1982) a high prevalence of father care among dual-earner couples with preschool-aged children when wives were employed in certain occupations: professional and practical nurses, salesworkers, waitresses, and "other clerk," a diffuse grouping that includes telephone operators. These are occupations that are disproportionately comprised of shift workers. It is of special interest that between 35 and 43 percent of fathers whose wives were working part time in these occupations were the principal caregivers of their preschool-aged children. Moreover, over 70 percent of the fathers whose wives were full-time waitresses and practical nurses were the principal caregivers. These findings suggested that another response to the unavailability of satisfactory child care, in addition to constraining the extent of female employment, might be parents working different shifts with each spouse caring for their young when the other is employed.

This hypothesis is only inferential from the data on occupations. The June 1977 Current Population Survey did not include data on hours of employment. The May 1980 Current Population Survey did include data on hours of employment but not

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on child care use or constraints. This data source has been used by others to measure the prevalence of shift work among individuals in the United States, which is about one in six full-time nonfarm wage and salary earners (U.S. Department of Labor, 1981). But the prevalence of shift work among families has not been addressed. Indeed a "couple" perspective that takes into account the work schedules of wives as well as husbands has been generally ignored in studies of shift workers; an exception is the work of Staines and Pleck (1982), but it groups together part-time and full-time workers, which makes the definition of shift work problematic.

In pursuing our interest in the work schedules of married couples with the 1980 Current Population Survey (Presser and Cain, in press), we uncovered a surprisingly high prevalence of shift work among full-time two-parent-earners, both nonfarm wage and salary earners, with children under 14 years of age: one out of three couples included a spouse who did not work a regular day shift. For about one in ten couples, spouses worked entirely different shifts with no overlap whatsoever in hours.

In this paper, we explore these findings further, and consider other aspects of couple work schedules, looking specifically at full-time two-parent-earners with children under five years old. The implications of these findings for child care and family life are then discussed. But first, some details about the sample and measures used.

Sample and Measures

The Current Population Survey is a monthly survey conducted

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by the Bureau of the Census, with interviews of approximately 55,000 households. The primary purpose of the survey is to assess the level of unemployment in the United States, and a standard set of questions is asked regularly of all individuals in the household. Supplements on special topics are added in certain months, and the May 1980 supplement on work schedules and multiple jobs included questions on the time work began and ended for the principal job of wage and salary earners (self-employed workers were not asked these questions). We selected from this sample all nonfarm dual-earner married couples, wives aged 18 to 44, both spouses employed full time (35 hours or more). For purposes of this analysis, we are limiting the sample further to couples with children under five years of age. This results in an unweighted sample of 1,122 couples in which both spouses are wage and salary earners, and represents about 1.4 million couples in the United States.

We use three definitions of shift work, all based on the hours wage and salary earners began and ended work on their principal job most days of the previous week. One definition is that used by the Bureau of Labor Statistics (BLS):

> *Day shift*: full-time schedule (35 hours or more per week) in which at least half the hours worked fall between 8 A.M. and 4 P.M.
>
> *Evening shift*: full-time schedule in which at least half the hours worked fall between 4 P.M. and midnight.
>
> *Night shift*: full-time schedule in which at least half the hours worked fall between midnight and 8 A.M.
>
> *Miscellaneous shift*: full-time schedule of less than 6 or more than 12 hours per day.
>
> (If a worker's hours fit into two shift-work

> categories, both day and evening or both evening and night, he/she is classified as working the first of the two categories.)

We group evening, night, and miscellaneous shifts and refer to this grouping as "nonday shift."

The second definition of shift work we use is the classification of full-time work that begins at 7, 8, or 9 A.M. as day work, and work that begins at other times as shift work (Tasto and Colligan, 1977). The third definition is a modification of the second to include work that begins at 10 A.M. as day work, a common starting time for retail jobs.

We refine all three definitions of shift work by extracting from the regular day workers rotators who worked days most of the previous week, and including them among the residual. (Rotators are those who regularly change shifts, such as one week on the day shift and the next week on the evening or night shift.) By relating the shifts of husbands to that of wives, we derive the prevalence of shift work among couples.

Another perspective on couple work schedules, in addition to time-of-day shifts, is the extent of overlap in the daily work hours of employed spouses. This couple measure, which we introduced in our earlier work (Presser and Cain, in press), was derived by comparing the hours work began and ended for the principal job of each spouse and determining the number of identical work hours. It does not include commuting time. We also consider the extent to which couples have flexibility in their daily work schedules -- that is, whether either or both spouses work flexitime, which was asked of all wage and salary

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earners.

The above measures all refer to the principal job only. The May 1980 Current Population Survey did not ask about the hours work began and ended for any secondary jobs held. But we do know whether spouses were dual job holders, and examine the prevalence of this among couples in our sample.

Shift Work Among Couples

Regardless of which definition of shift work is used, around two-thirds of couples in our sample of two-parent-earners with children under five years of age are couples in which both spouses work a regular day shift. This means that for about one-third of the couples in our sample, one or both spouses do not work a regular day shift. In a previous analysis (Presser and Cain, in press), we found that the prevalence of nonday shift work did not vary much when contrasting couples whose youngest child was less than five years old with those whose youngest child was five to thirteen years old -- it was about one-third for both groups. Since the specific age of children who are less than five years old is of considerable importance when considering child care issues, this paper provides further detail for each age under five.

It should be noted that the age of the youngest child under five years old is related to the number of children women have, both the number under five years of age (preschool-aged) and the number under 14 years of age (all still young enough to need supervision when not in school). As shown in Table 1, the younger the age of youngest child, the more likely women are to have two or more children less than five years old, and the less likely they are to have two or more children less than 14 years old. This correlation should be kept in mind as we consider differences in couple work schedules by age of youngest child.

Table 2 reveals that the prevalence of shift work (all three definitions) is not linearly related to the age of youngest child. The lowest proportion of couples who are both regular day workers is for those whose youngest child is four years old, and the highest is for those whose youngest child is two years old -- the range of difference being about nine percentage points. The most striking aspect of this table is that nonday shift work is high among full-time two-parent-earner couples with preschool-aged children for all the specific ages of preschoolers.

Spouse Overlap in Hours of Employment

The high prevalence of full-time shift work among couples leads us to question the extent to which there is overlap in the hours of employment. Over one-tenth of the couples in our sample have no overlap whatsoever, and about one-sixth have less than three hours of overlap. Since this overlap time does not include the time consumed commuting to and from work, it overstates the time spouses have to be at home together -- and together with their children. **Thus, for a substantial minority of preschool-aged children with full-time two-earner-parents, time at home with parents is likely to be time at home with one parent.** On the other hand, when parents have different shifts, this increases the potential time preschool-aged children can be

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at home with at least one parent.

In a previous analysis (Presser and Cain, in press) we found little difference in spouse overlap in hours of employment between couples whose youngest child was less than five years old versus five to thirteen years old. It is of interest to consider whether there are differences in spouse overlap by the specific age of children less than five years old. As revealed in Table 3, the only substantial difference is between couples whose youngest child is less than four versus four years old. There is little or no overlap at all (0, 1, or 2 hours) for about 15 to 18 percent of couples whose youngest child is less than four years old, but this increases to 24 percent -- or about one-fourth -- for couples whose youngest child is four years old. Couples whose youngest child is four years old by definition are not likely to have more than one child under five years of age (only 1.3 percent, which includes twins; see Table 1); rather they are more likely than other couples to have children between 5 and 13 years of age. This suggests that spouses with only one child less than five years old may be less reluctant to have very different work schedules than spouses with two or more preschool-aged children.

An analysis of the relationship between number of children under five years old and hours of spouse overlap, however, does not support this hypothesis. As may be seen in Table 4, couples with only one preschool-aged child tend to have somewhat more overlap in employment hours than couples with two or more preschool-aged children. The percent with less than three hours of overlap is 16.9 and 22.5, respectively. When considering the number of children under 14 years old (for couples with at least one child under 5), we find that those with three or more children are most likely to have different work schedules. Over one-fourth (25.8-percent) of such couples have no overlap in hours; adding those with only one or two hours of overlap brings this to almost one-third (31.9 percent). The number of couples in our sample with three or more children is relatively small (weighted N=156), but these figures are remarkably high.

One possible explanation for the higher prevalence of different work schedules when couples have relatively large families might be the inability of these families to pay for the high cost of child care -- typically, the more children, the more costly. Different shifts permit spouses to do most if not all of the child care themselves (even though we cannot directly assess the extent to which this occurs). This assumes that family income is related to couple work schedules. Table 5 indicates, however, that this is not the case. Except for the extremes (less than $10,000 and $50,000 or more; very small N), there is little difference by level of family income in the prevalence of minimal or zero spouse overlap in employment. Within these income groups, however, shift work may be related to sustaining the family's standard of living when children are small. The cost of child care, particularly when there is more than one child, may offset for many couples much of the financial gain of female employment experienced prior to parenthood.

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Flexitime

Some of the difference between spouses in hours worked may reflect the ability of some couples to manipulate their daily work schedules. The May 1980 Current Population Survey asked whether wage and salary earners were on flexitime or some other schedule that allows workers to vary the time they begin and end work. For our sample, about one in five couples include a spouse who works flexitime (or the equivalent). As may be seen in Table 6, there is little difference by age of youngest child. It may be seen, however, that flexitime is practiced more by husbands than by wives, except for couples whose youngest child is four years old. Again, this cannot be directly related to child care with this data set, but theoretically flexitime permits two-parent-earners to have less overlap in work hours and their children more time with at least one parent.

Shift Rotation

Unlike flexitime, shift rotation (for example, changing from day to evening or night) may be particularly disruptive for family life, especially when there are young children in the household for whom fixed schedules must be maintained. As we previously noted in defining shifts, we excluded from the day shift those who usually rotate shifts but happened to be working a day shift the week for which data were collected. We now raise the question of the prevalence of rotating shifts for our total sample, regardless of the type of shift they worked during the reference week.

It may be seen in Table 7 that for all couples with children under five years old, about one in seven (13.6 percent) include a spouse who usually works a rotating shift. The variations by age of youngest child in this regard are not substantial. There are some differences by age, however, in which spouse does the rotating. For all couples with children under five years old, the husband is more likely to be working a rotating shift than the wife, but we see that it is about equal for each spouse when the youngest child is three years old. Rarely do both husband and wife both work rotating shifts, but we see that when this does occur it is essentially among couples with infants (under one year of age). This suggests this might be a carry over of an employment schedule prior to parenthood (that may not last long).

Dual Job Holders

The analysis thus far presented refers to hours worked on the principal job only. To the extent that either spouse is a dual job holder (or "moonlighter") our estimates of day shift workers and hours of overlap in spouse employment are understated. As previously noted, data on hours worked were not collected for additional jobs. We do know, however, whether either or both spouses held additional paid jobs. For our sample, one out of ten couples includes spouses who are dual job holders. As may be seen in Table 8, most of the dual job holders are husbands. It may also be seen in this table that there is no clear relationship between dual job holding and age of youngest child.

Summary and Implications

We have seen that the work schedules of two-parent-earner families with preschool-aged children are complex. The prevalence of nonday shift work is high: about a third of all couples in our sample. When one spouse works a nonday shift, the other is likely to work a day shift. For many such couples, this means minimal or no spouse overlap in hours of employment. While some couples can exercise some flexibility in their work hours (e.g., flexitime), others are subject to a rotation schedule that continually changes the nature of spouse overlap in employment. These complex employment patterns, referring to the principal job only, are evident for couples with children of all ages under five. Adding further to this complexity is the fact that one out of ten two-parent-couples in our sample includes a spouse who holds a second job. These are figures for a sample of couples at one point in time. The extent to which couples ever experience shift work and/or dual job holding while their children are young would be even higher.

What are the implications of our findings for child care and family life? While the May 1980 Current Population Survey permits us to describe the prevalence of work schedules for couples with a few demographic and socioeconomic controls, the limited number of variables does not allow us to assess the determinants and consequences of these work schedules. But let us speculate along this line, with the hope of stimulating needed research in this area.

We previously noted that the dual-earner couple is now the most common family type in the United States. This has emerged because of the rapid increase in the employment of married women, particularly those with preschool-aged children. Most of these

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employed women work full time. There are, then, many couples with preschool-aged children in which both spouses successfully acquire full-time employment and are able to make acceptable child care arrangements -- albeit on a very individualized ad hoc basis. These arrangements are most commonly "family day care" in someone else's home at a cost to the parents (U.S. Department of Commerce, 1982b). But we also cited evidence that, despite the high prevalence of full-time employment among married women with preschool-aged children, a substantial minority of such women are working part time rather than full time or not at all because they are unable to find satisfactory child care that they can afford (or jobs that pay significantly more than the cost of child care). One possible response to the unavailability of child care when women seek full-time employment, then, is underemployment or remaining out of the labor force. Another possibility is for spouses to both work full time, but different time schedules. Unfortunately there has been no research linking child care availability with couple work schedules. Our analysis of family income revealed that different work schedules among spouses is not specific to one segment of the income range. But, as we noted, income may nevertheless be relevant -- that is, couples with different standards of living may seek full-time dual employment of different hours to minimize child care costs and sustain this standard.

What does the practice of different work schedules mean for the quality of child rearing? This is very difficult to even speculate about, and would seem to depend upon who is caring for

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the child in the absence of one or both parents. The splitting of child care solely between the parents would seem to maximize quality, in general, but this is possible only for those couples with no spouse overlap in employment and when the parent who is at home during the day -- when the child is awake -- has an opportunity to sleep when the other parent is also home. Other types of nonpaid child care arrangements that may be used to partially or fully substitute for parent care depend upon whether there are older children available after school or relatives able and willing to provide care. The availability of family care or more formal group arrangements is essentially limited to day care, which may be a constraint for shift-work couples with preschool-aged children. Two-parent-earners with a spouse working a rotating schedule would seem to have the most difficulty of all in arranging for the care of these young children, especially if the rotator cares for the child at least some of the time when his or her spouse is employed. Clearly, we first need data simply of a descriptive nature to determine who are caring for the children when parents work uncommon hours, and then we need to study how well these children are being cared for in each of these arrangements.

Another important area in need of study is the relationship between couple work schedules and the quality of family life, including the relationship between the spouses. There have been some small in-depth studies of shift workers in the United States and Europe that consider the consequences of shift work for the family. These studies, however, have focused almost exclusively on males as shift workers, namely blue collar workers in specific industrial settings, and generalizations are limited accordingly. If females are included, they are typically the wives of shift workers, and the employment status of these wives receives little if any attention. The findings of these studies suggest that male shift work seems to generate extra strains on family life; men have difficulty performing their traditional roles, such as protecting the family and being a sexual partner and companion (Mott _et al._, 1965; Young and Willmott, 1973; Wyatt and Marriott, 1953; Piotrkowski, 1979; Maurice and Fonteil, 1965; Ulich, 1957; Banks, 1956; Brown, 1959); and women have difficulty performing their traditional roles, typically expressed as problems with domestic routine such as meal preparation, laundry and child care (Banks, 1976; Brown, 1959).

Clearly we need to examine the effect of shift work on family life in a much broader context. For example, it would be of interest to consider among two-parent earners the distinctive effect of shift work, particularly rotating schedules, on the division of labor within the home and on marital power. The same issue could be addressed for such couples in which a spouse is a dual job holder. It would be important to explore in this context whether these effects differ when it is the wife versus the husband who works a nonday or rotating shift, or holds a second job. The relationship between couple work schedules and marital stability is another neglected yet important issue. And, it would be of special interest to know how fathers who care for their children when mothers are employed feel about this role.

One small British study found that the preference for night work was related to fathers wanting more time with the family (De la Mare and Walker, 1969). Perhaps, at least in this regard, shift work enhances family life for men.

In sum, we are witnessing a dramatic rise in the prevalence of two-parent-earner families, which is producing a large number of shift-work families. From a social policy perspective, one might ask: To the extent that this is a response to child care needs, do we want to encourage this mode of adaptation? Which is better for families -- parents working full time on different shifts, or one parent employed less than full time or not at all and a reduced standard of living for the family? And what do we mean when we say the family -- what is in the best interest of the husband, the wife, or the children may be quite different. This is a complex issue which calls for research from many different perspectives. And it also calls for a broader view of child care beyond day care; evening and night care may be an important unmet need.

Footnotes

1. The unemployment of women in the labor force with preschool-aged children is higher than that for other women (10.9 percent for women with children under three years of age in 1980; Kamerman and Hayes, 1982), and may be related as well to problems of finding satisfactory child care.

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Table 1. Percent distribution of number of children less than five years old and number of children less than fourteen years old by age of youngest child, for couples in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Age of youngest child	(N)[a]	No. of children <5 years old				No. of children <14 years old			
		Total%	1	2	3	Total%	1	2	3+
<1	(202)	100.0	72.3	24.7	3.0	100.0	51.0	32.7	16.3
1	(276)	100.0	74.8	23.3	1.9	100.0	50.7	36.2	13.1
2	(251)	100.0	84.2	15.6	.2	100.0	46.6	42.6	10.8
3	(219)	100.0	93.8	6.2	.0	100.0	44.3	37.0	18.7
4	(198)	100.0	98.7	1.3	.0	100.0	40.4	43.9	15.7
Total	(1146)	100.0	84.2	14.8	1.0	100.0	46.8	38.6	14.6

[a] These are weighted Ns reduced to approximate sample size.

Table 2. Percent of couples in which both spouses work a regular day shift (excludes rotators) for couples in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Definitions of regular day shift for most days of previous week (excludes rotators)	Total	Age of youngest child				
	<5 (N=1082)[a]	<1 (N=189)	1 (N=262)	2 (N=236)	3 (N=210)	4 (N=185)
Half or more work hours are 8 A.M. to 4 P.M.[b]	66.4	64.4	67.0	70.3	67.7	61.1
Work begins at 7, 8, or 9 A.M.[c]	61.9	59.6	63.4	65.5	61.5	56.7
Work begins at 7, 8, 9, or 10 A.M.[c]	63.1	61.7	64.6	66.8	62.8	57.9

a These are weighted N_s reduced to approximate sample size.

b Excludes "miscellaneous workers": those who work full-time but less than six hours or more than 12 hours per day.

c Includes "miscellaneous workers"; see above.

Table 3. Percent distribution in hours per day of spouse overlap in employment by age of youngest child, for couples in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Hours per day of spouse overlap in employment[a]	Total <5	Age of youngest child <1	1	2	3	4
0	11.9	11.0	12.5	10.3	10.7	15.6
1,2	5.8	6.9	4.0	4.8	5.7	8.4
3-6	8.9	6.8	8.9	9.1	10.6	9.0
7	17.1	16.1	18.2	15.3	19.7	15.7
8	32.4	36.8	28.2	36.5	31.5	29.6
9	21.7	19.8	26.3	22.7	21.0	16.5
10+	2.2	2.6	1.9	1.3	.8	5.2
Total %	100.0	100.0	100.0	100.0	100.0	100.0
(N)[b]	(1075)	(189)	(257)	(235)	(209)	(185)

[a] Refers to principal job week prior to interview; includes rotators.

[b] These are weighted N_s reduced to approximate sample size.

Table 4. Percent distribution in hours per day of spouse overlap in employment by number of children less than five years old and number of children less than 14 years old, for couples in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Hours per day of spouse overlap in employment[a]	No. of children <5 years old		No. of children <14 years old		
	1	2+	1	2	3+
0	11.8	13.0	9.2	10.1	25.8
1,2	5.1	9.5	5.4	6.2	5.2
3-6	8.3	11.8	8.1	8.9	11.6
7	17.1	16.6	15.2	20.5	14.2
8	33.3	27.8	34.1	31.6	29.0
9	22.0	20.1	25.8	20.2	11.6
10+	2.4	1.2	2.0	2.4	2.6
Total % (N)[b]	100.0 (906)	100.0 (169)	100.0 (507)	100.0 (411)	100.0 (156)

[a] Refers to principal job week prior to interview; includes rotators.

[b] These are weighted N_s reduced to approximate sample size.

Table 3. Percent distribution in hours per day of spouse overlap in employment by family income for couples in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Hours per day of spouse overlap in employment [a]	Family Income						
	<$10,000	$10,000-11,999	$12,000-14,999	$15,000-19,999	$20,000-24,999	$25,000-49,999	$50,000+
0	1.6	16.1	14.0	13.5	11.1	11.6	11.9
1,2	8.1	6.4	4.6	7.4	6.7	4.6	.0
3-6	6.5	12.7	14.9	8.2	7.3	9.3	.0
7	17.7	6.6	15.4	16.7	17.8	18.3	26.9
8	35.5	29.6	31.5	28.5	34.2	33.9	32.8
9	24.2	26.4	19.6	24.3	21.4	19.1	26.5
10+	6.5	2.3	.0	1.5	1.4	3.2	1.9
Total % [b] (N)	100.0 (62)	100.0 (64)	100.0 (100)	100.0 (206)	100.0 (246)	100.0 (349)	100.0 (24)

[a] Refers to principal job ~~week~~ prior to interview; includes rotators.

[b] These are weighted N_s reduced to approximate sample size.

Table 6. Percent distribution of couples by whether the husband and/or wife works flexitime by age of youngest child for couples in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Whether spouses work flexitime[a]	Total <5	Age of Youngest Child <1	1	2	3	4
Both husband and wife	3.3	4.8	3.0	3.4	2.9	3.3
Husband only	10.1	9.5	10.9	9.9	12.8	6.5
Wife only	6.3	4.2	7.2	6.9	4.8	8.7
Neither husband nor wife	80.3	81.5	78.9	79.8	79.5	81.5
Total % (N)[b]	100.0 (1080)	100.0 (282)	100.0 (265)	100.0 (233)	100.0 (210)	100.0 (198)

[a] Principal job of each spouse.

[b] These are weighted N_s reduced to approximate sample size. Excluded are couples for whom flexitime data on either spouse was not reported.

Table 7. Percent distribution of couples by whether the husband and/or wife works a rotating shift by age of youngest child for couple in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Whether spouses work a rotating shift[a]	Total <5	Age of Youngest Child <1	1	2	3	4
Both husband and wife	.8	3.6	.3	.0	.4	.0
Husband only	9.1	9.3	10.9	8.8	6.6	10.1
Wife only	3.6	3.1	3.0	1.7	6.6	3.7
Neither husband nor wife	86.4	83.9	85.8	89.5	86.3	86.2
Total %	100.0	100.0	100.0	100.0	100.0	100.0
(N)[b]	(1098)	(193)	(267)	(238)	(211)	(188)

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[a] Principal job of each spouse.

[b] These are weighted Ns reduced to approximate sample size. Excluded are couples for whom rotating data on either spouse are not reported.

Table 8. Percent distribution of couples by whether the husband and/or wife is a dual job holder by age of youngest child for couples in which both spouses are full-time nonfarm wage and salary earners, wife aged 18 to 44, and with children less than five years old: United States, May 1980.

Whether spouses are dual job holders	Total <5	Age of Youngest Child <1	1	2	3	4
Both husband and wife	1.8	1.4	2.0	1.3	2.7	1.4
Husband only	6.5	4.5	7.5	5.5	7.4	7.5
Wife only	1.2	1.8	1.1	.0	1.8	1.8
Neither husband nor wife	90.5	92.3	89.4	93.2	88.1	89.3
Total %	100.0	100.0	100.0	100.0	100.0	100.0
(N)[a]	(1146)	(202)	(276)	(231)	(219)	(198)

[a] These are weighted Ns reduced to approximate sample size.

202-452-8750

SERVICE EMPLOYEES INTERNATIONAL UNION
AFL-CIO, CLC

2020 K Street, N.W.
Washington, D.C. 20006-1846

John J. Sweeney
International President

Richard W. Cordtz
International Secretary-Treasurer

August 22, 1984

Mr. George Miller, Chairman
Select Committee on Children,
 Youth and Families
Room H2-385
House Office Building, Annex 2
Washington, DC 20515

Dear Chairman Miller:

As President of the Service Employees International Union, I want to convey to you the interest of our 850,000 members in the issue of quality child care, and in the hearings your Committee is conducting on how to improve child care services in the United States.

Enclosed is a written testimony for the record. Our testimony concludes by stressing the need for a national child care policy. We firmly believe that, in the long run, the United States will benefit from a nationwide child care system.

Other recommendations include: restoring the $9 billion in cuts from programs supporting child care over the past three years, utilizing our public school systems to provide before and after-school care, and redrafting income tax policies to help the low-wage earner.

Service Employees International Union is willing to work with you in improving the amount and quality of child care services available for working and low-income parents in this country.

Sincerely,

John J. Sweeney

John J. Sweeney
International President

JJS:ecb
enclosure

Prepared Statement of John J. Sweeney, International President, Service Employees International Union

Chairman George Miller, members of the Select Committee on Children, Youth and the Family:

Thank you on behalf of the Service Employees International Union, AFL-CIO for the opportunity to discuss what can be done to improve child care services in the United States.

The Service Employees International Union (SEIU) represents 850,000 members in more than 100 occupations in the United States and Canada. Many of our members work in the healthcare and service industries which operate on 24-hour schedules. Nearly half of our members are women. Thus, SEIU is well aware that the needs of working parents--men and women--are too often ignored both by employers and by our government. We welcome this opportunity to share our conclusions about the urgency of providing quality, affordable child care for working parents.

We are all aware of the urgent child care needs faced by parents in this country. Yet, in the past three years the Reagan Administration has cut federal programs supporting child care by $10 billion. Title XX, the main source of direct federal support for child care, has been cut 21 percent. Child nutrition programs that provide meals for children in child care centers have been cut 30 percent. The program providing staff for child care centers has been abolished and AFDC, which provides child care support to poor families, has been reduced. The list goes on.

Child care services were not sufficient even before the cuts. Now the situation borders on desperation. Massachusetts has a waiting list of 6,000 children needing care; Georgia's list is 5,000 names long. Illinois now serves 10,000 fewer children than it did three years ago.

Let's look at the tremendous impact of the cuts in just one of those programs--Title XX. Cuts in Title XX funding hurt low-income, working families who work hard to make ends meet. In addition, many states have tightened income requirements, making fewer low-income working families eligible for child care assistance.

Cuts in Title XX funding hurt poor families, particularly those headed by women. Most families who need Title XX are headed by female heads-of-household working to support themselves and their children.

Cuts in Title XX funding hurt poor women who need child care assistance while they attend job training and education programs. Twenty states have reduced their previously limited aid for such programs over the last three years.

These budget cuts and the economic recession have forced low-income working parents to either move their children to low-quality, inexpensive child care, or to leave their jobs and stay home with their children. States are also making changes by cutting back on the quality of child care services provided. They have reduced funding for training child care workers and lowered the standards for Title XX child care programs.

To further compound the misery of these American families, the Reagan administration has audaciously and arrogantly proposed another $3 billion in cuts from programs that fund child care in the fiscal year 1985 budget.

To "justify" the inequalities and hardships created by these budget cutbacks, President Reagan has called on the private sector to pick up the slack. His grand "private sector initiative" for child care totals a dozen seminars for chief executive officers of large corporations. The seminars are invitation-only; union representatives and child care advocates have never been invited. The stated purpose is to get corporate employers interested in day care. Little follow-up has been conducted to see if these meetings have had any impact. Certainly this approach has not helped the many low-income families suffering from state and federal budget cuts.

What arrangements do our working parents make for child care? A survey of employees in 1981 in two Kaiser-Permanente hospitals in California revealed that only 2 percent had their children in a licensed family home provider, 14 percent used day care centers, 22 percent had care provided by a family member or relative, and 24 percent hired babysitters. Those parents not using centers listed their major reasons as cost, inability to find a high-quality and convenient center, or a preference for in-home care. More than half of all parents responded that they did not have adequate child care arrangements.

Higher-income families hire housekeepers to look after their children. Most parents, of course, cannot afford this luxury. They are left to catch-as-catch-can from available private and public options. Non-profit day care centers, often community or church-sponsored, are frequently a good choice, but they are far too few in number. Licensed family day care is another possibility, but here again, the need woefully exceeds the availability of such services. More and more parents are reluctantly allowing their children, ages 5 to 15, to let themselves in and out of the house before and after school. This arrangement places tremendous stress and worry upon parents, preventing them from fully participating in their work.

Another alternative for working parents is the growing number of for-profit child care center chains. These for-profit centers have sprouted up to meet the urgent need for child care. While some centers are very well run and staffed, others are not. SEIU recommends that these facilities be closely monitored to ensure that the profit motive does not take precedence over the health and welfare of the children.

The proprietary sector keeps labor costs down at these centers by hiring part-time workers, paying minimum wage and giving no fringe benefits. Such

POOR COMPENSATION FUELS A HIGH TURNOVER AMONG THESE CHILD CARE EMPLOYEES. MOST EXPERTS ON EARLY CHILDHOOD AGREE THAT QUALITY CARE FOR CHILDREN IS A PERSONAL, HUMAN RELATIONSHIP WITH AN INDIVIDUAL CARE-GIVER, NOT A "PRODUCT" THAT A SUCCESSION OF STRANGERS CAN DISH OUT. THE IMAGE OF A GENERATION OF "KENTUCKY FRIED CHILDREN" IS NOT AN APPEALING ONE.

WHAT IS QUALITY CHILD CARE? QUALITY MEANS BRIGHT, CHILD-ORIENTED SPACES, LOW PUPIL-STAFF RATIOS, AND CONTINUITY OF CARE WITH THE SAME PROVIDER. IT ALSO INCLUDES AN ADEQUATELY COMPENSATED STAFF WITH FULL FRINGE BENEFITS.

SEIU BELIEVES THAT UNIONIZATION OF DAY CARE PROVIDERS CAN IMPROVE THE QUALITY OF CARE. FOR EXAMPLE, WE REPRESENT EMPLOYEES AT MINI-SKOOLS LIMITED IN ONTARIO, CANADA AND AT THE DAY NURSERY IN LOWELL, MASSACHUSETTS, AMONG OTHERS. THE GAINS IN PAY NEGOTIATED BY UNIONS CONSTITUTE ONLY PART OF THE ADVANTAGES OF UNIONIZATION. SEIU HAS SECURED BENEFITS FOR IMPROVED HEALTH COVERAGE; A NEGOTIATED CONTRACT WHICH CLARIFIES SUCH WORKING CONDITIONS AS BREAKS AND OVERTIME POLICY; AND IMPROVED VACATION AND SICK LEAVE BENEFITS. UNIONS CAN PROVIDE BETTER WORKING CONDITIONS FOR DAY CARE PROVIDERS, WHICH IN TURN HELPS TO STABILIZE THIS WORKFORCE AND ATTRACT A HIGHER CALIBER OF STAFF. THE RESULT IS BETTER CARE FOR CHILDREN.

SEIU IS EMPHASIZING THE IMPORTANCE OF CHILD CARE AT THE BARGAINING TABLE BECAUSE WE FIRMLY BELIEVE THAT FAMILY ISSUES ARE UNION ISSUES. OUR MEMBERS, LIKE MANY WORKING PARENTS, CITE CHILD CARE PROBLEMS IN SURVEY AFTER SURVEY. THEIR DIFFICULTIES INCLUDE HIGH COST, UNDEPENDABLE CARE, AND INABILITY TO FIND GOOD QUALITY CENTERS THAT ARE REASONABLY CONVENIENT.

SEIU HAS HAD VERY DIFFICULT BARGAINING SITUATIONS IN THESE TIMES OF ECONOMIC RECESSION. BARGAINING ON THE VERY BASICS LIKE WAGES, JOB SECURITY AND HEALTH CARE COVERAGE HAS BEEN AN UPHILL BATTLE. BUT OUR LOCAL UNIONS HAVE CONTINUED TO BARGAIN FOR CHILD CARE BECAUSE SO LITTLE QUALITY, AFFORDABLE CARE EXISTS AND OUR MEMBERS NEED FOR IT IS SO GREAT. OUR YEARS OF HARD WORK, HOWEVER, HAVE NETTED LITTLE. A JOINT LABOR-MANAGEMENT COMMITTEE HERE, AN INFORMATION AND REFERRAL SERVICE THERE, AND--RAREST OF ALL--A NEWLY CREATED DAY CARE CENTER FOR WORKING PARENTS.

EVEN THOUGH IT IS AN UPHILL BATTLE, SEIU LOCALS WILL CONTINUE EXPLORING A RANGE OF NEGOTIATING OPTIONS SUCH AS: EMPLOYER-SPONSORED CENTERS, INFORMATION AND REFERRAL SERVICES FOR WORKING PARENTS, VOUCHER PLANS WHICH SUBSIDIZE PLACEMENT IN EXISTING FACILITIES, EXPANDED SICK LEAVE, FLEXTIME, AND CONSORTIUMS WITH OTHER UNIONS AND OTHER EMPLOYERS TO PROVIDE CARE.

SEIU LOCAL 285 IN BOSTON OPENED AN ON-SITE DAY CARE CENTER AT BOSTON CITY HOSPITAL IN MAY, 1982. THE CENTER WAS THE PRODUCT OF A JOINT LABOR-MANAGEMENT COMMITTEE ON CHILD CARE ESTABLISHED IN CONTRACT NEGOTIATIONS BETWEEN LOCAL 285 AND BOSTON CITY HOSPITAL IN 1978-79. THE CENTER HAS 16 SLOTS. IT IS OPEN FROM 6:30 A.M. TO 6 P.M. AND PROVIDES CARE FOR INFANTS AND TODDLERS UP TO AGE 2-1/2 YEARS. THE HOSPITAL PROVIDES RENT-FREE SPACE, MAINTENANCE AND UTILITIES. FEES ARE BASED ON A SLIDING SCALE RANGING FROM $10 TO $110 PER WEEK. THE MAJORITY OF PARENTS PAY BETWEEN $20 AND $40 PER WEEK. THE FACILITY HAS A WAITING LIST OF 90 CHILDREN. CURRENTLY ONLY THE DEPARTMENT OF HEALTH AND HOSPITAL EMPLOYEES CAN USE THE CENTER. THE UNION IS PROPOSING TO EXPAND THE CENTER AND OPEN IT TO THE COMMUNITY.

LOCAL 285 HAS STRUGGLED TO GET THE CENTER ON ITS FEET, AND IS PROUD TO REPORT THAT THE CENTER IS SELF-SUPPORTING. HOWEVER,IT MUST GROW IN ORDER TO MEET THE DEMAND FOR CHILD CARE SERVICES. PROBLEMS INCLUDE GETTING THE HOSPITAL TO ALLOCATE MORE SPACE AND GETTING THE CITY TO SUBSIDIZE 50 ADDITIONAL SLOTS. FUNDING IS ANOTHER MAJOR PROBLEM. THE LOCAL IS WORKING WITH THE MAYOR'S OFFICE TO FIND ADDITIONAL MONEY AND SPACE, BUT WITH LITTLE SUCCESS SO FAR.

SEIU LOCAL 399 AND KAISER-PERMANENTE HOSPITALS IN CALIFORNIA RECENTLY negotiated a pilot information and referral service. It is worth noting that this is the result of ten years of grassroots organizing and activity on the part of the members. All their hard work has taken them only a small step towards the goal of more accessible, quality care.

SEIU Locals 434, 535 and 660 in Los Angeles have moved beyond the joint committee stage. Together with the Coalition of County Unions, they have submitted a proposal to the county board to have the county employ a child care consultant to produce a functioning on-site center within 12 months. The center would be located at Los Angeles County Medical Center. The proposal is currently blocked at the county board level, and the unions are intensifying their lobbying efforts.

SEIU Local 668 attempted to negotiate a pilot program establishing a day care center in Harrisburg, Pennsylvania. Management turned down this request. They also rejected a proposal for job sharing. The local did succeed in negotiating flexible working schedules. The agreement with the Commonwealth included provisions allowing those with child care needs to get first priority choice.

One major obstacle Pennsylvania workers face is an unfriendly state administration. The governor has pushed hard for corporate tax breaks, slashed public funds and pressed for block grants. The state then pleads poverty at the bargaining table. Meanwhile the state workers receive a double whammy, first on the national level as monies are slashed from social services and then again on the state level.

These examples demonstrate how some SEIU locals and affiliates are negotiating child care services with private and public employers. Our examples show it is not an easy task. Management's resistance to the idea is one obvious obstacle. Stories about employer-provided child care centers make big headlines, but they constitute less than one percent of total available slots.

Funding is another obstacle that unions confront in trying to implement child care services. In Los Angeles County the problem was solved by contributions from the hospital and the union. In Boston, the union provided funds to keep the day care center on its feet until it could become self-supporting. The search for funds is a constant dilemma. While multi-funding sources can add variety and quality to services, tracking down and monitoring funding sources is time-consuming.

Despite the obstacles, there are success stories. The state of New York, for example, is a trend-setter in providing child care for its employees. The Public Employees Federation, Local 4053 of SEIU, the state Civil Service Employees Association, and the Governor's Office of Employee Relations formed the Empire State Day Care Service, Inc. to open and operate child care centers at state facilities throughout New York for the children of state employees. The Children's Place opened in Albany in September, 1979. It was so successful that Empire State now runs 10 centers, with more expected to open.

All the centers under Empire State, Inc. are non-profit, self-supporting. Operating costs and staff salaries are paid from fees charged to parents. The state of New York pays the salary for Empire State's executive director and provides in-kind services such as a free space lease agreement and daily maintainence.

RECOMMENDATIONS:

SEIU will continue to address family issues at the bargaining table and to work together with child advocacy groups such as the Children's Defense Fund to devise creative legislative strategies for the provision of quality child care for our nation's young. For example, our public school system could be utilized better by providing before and after school care. Some school systems already are successfully providing such care.

In addition to devising new or better initiatives in child care, we must examine existing programs and policies for their impact on child care. One solution to improve child care services for working parents is clear: Restore the $9 billion that has been cut from existing programs over the past three years. Also, income tax policies which now allow for a tax credit for child care expenses need to be re-examined to ensure that they fairly compensate those who need the help most--the low-wage workers.

SEIU locals have been working hard to negotiate child care benefits at the bargaining table. We will continue to do so, but we alone cannot meet the need for adequate child care. In these times of concession bargaining, our members are lobbying hard to hold onto benefits like medical coverage, much less push for additional benefits like child care. Also, when we do succeed in establishing a new child care center, it is but a small stride towards meeting the needs of the larger community. Our collective bargaining powers are limited to those we represent. Thus we cannot bargain for welfare mothers needing child care while they enroll in job training. We cannot negotiate for the unemployed and underprivileged.

Mr. Chairman, the United States is the richest country in the world, and the only industrialized nation without a national policy on child care. Can't we come up with a national policy for child care which will provide an

ARRAY OF OPTIONS FOR BOTH WORKING AND UNDERPRIVILEGED FAMILIES? CAN'T WE USE OUR BEST MINDS TO DEVISE A NATIONAL SYSTEM THAT WOULD ENSURE QUALITY, AFFORDABLE CHILD CARE TO THOSE WHO NEED IT?

SEIU STRONGLY BELIEVES THAT CHILD CARE IS PART OF THE SOLUTION TO STRENGTHENING THE FAMILY AND TO MEETING THE NEEDS OF OUR WORKING PARENTS. ADEQUATE CARE FOR THEIR CHILDREN CAN PROVIDE PARENTS WITH THE "PEACE OF MIND" NECESSARY FOR THEM TO BE PRODUCTIVE WORKERS IN OUR SOCIETY.

WE WILL CONTINUE TO WORK WITH THIS COMMITTEE AND IN COALITIONS WITH CHILD ADVOCACY GROUPS BECAUSE NOTHING IS MORE PRECIOUS THAN THE FUTURE OF OUR CHILDREN.

Study of Employer Sponsored Child Care Services

79 W. Monroe, Suite 81
Chicago, Illinois 60603
312-236-3786 or 236-434

An Experimental Study of the Effects of Employer-Sponsored Child Care Services On Selected Employee Behaviors

Written by:

Ann Gilman Dawson
Cynthia Sirk Mikel
Cheryl S. Lorenz
Joel King

for

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Project Officer: Ray Rackley, Ph.D.

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EXECUTIVE SUMMARY

Study Advisor: Irving Lazar, Foundation for Human Service Studies
Principal Investigator: Ann Gilman Dawson, CSR, Inc.
Study Manager: Cynthia Sirk Mikel, CSR, Inc.
Study Analysis Advisor: Richard Darlington, Foundation for Human Service Studies

Foundation for Human Service Studies, Inc. CSR, Incorporated

Study funded by a … and Human Services

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EXECUTIVE SUMMARY

The primary purpose of this study was to determine whether different kinds of employer supported child care services had differing effects on the users of those services. The experimental employers were 29 companies and hospitals in the northeastern and midwestern states that had supported one of three kinds of child care service for their employees. Fifteen of the employers were hospitals, nine were manufacturing companies and five were non-manufacturing companies. Of the ten control employers, four were hospitals, two were manufacturing companies and four were non-manufacturing companies.

This was a retroactive study designed to obtain one full year of attendance, turnover and other data on selected employees of each of the following four categories of employers:

On-Site Child Care (n=12): While fees, eligibility requirements and operating responsibilities varied, all employers in this category provided a child care center either in or within one block of the worksite building.

Off-Site Child Care (n=9): Employers in this category supported some kind of off-site child care. These included voucher systems which paid part or all of the costs of employee selected services, vendor programs with local or national day care providers and employer operated day care centers away from the worksite.

Information/Referral (I&R) Services (n=8): Employers in this category either operated an in-house I&R service or contracted with an externally operated I&R service to provide this service for their employees.

No Service (n=10): Employers in this category, the control companies, had never operated a child care service of any kind.

METHODOLOGY

Two groups of employees were randomly selected from each of the 39 employers participating in the study. In the experimental companies one of these was from employees who had used the child care service (users: n=311) and the second from among those who had not (non-users: n=320). In the control companies, one group was selected from those eligible to use a child care service had it been provided (potential users: n=130), and a second group from those who would not have been eligible to use a child care service (non-users: n=130).

Data Collected

Non-aggregated attendance data for one full year were collected from employer personnel files on each selected employee in the experimental and control companies. Using the formula of The Bureau of National Affairs (1983), absenteeism rates were determined by dividing unscheduled days absent by days scheduled to work.

A self-administered questionnaire was distributed to the selected employees who had used the employers' child care service (n=311) to obtain information on demographics of the employees, their families, their child care arrangements, their length of employment, reasons for working, income and job status. Employees were also asked about the effects of the child care service on their acceptance of employment, plans to continue this employment, opportunities for promotion and overtime. They were asked to rank the effect the child care service had on their job performance. One open ended question was included at the end of the questionnaire.

Information on termination of the users of the child care service was obtained from all companies and hospitals providing either on-site or off-site child care services. An annual turnover rate for female users of the service was calculated consistent with the procedures used by The Bureau of National Affairs and compared with rates for all employees. Company turnover rates were obtained from seventeen employers who provided either on-site or off-site child care.

Analysis Plan

Statistical analyses were undergone in order to assess the relative influence of the different types of child care services offered on specific behaviors and attitudes of the employees. Covariate analysis was chosen as the analytic tool for this analysis because of the quasi-experimental nature of the data collection procedures. This technique permits examination of partial relationships, that is, the relationship between two variables when other confounding variables are held constant; and allows greater confidence that a truely causal relationship exists between the independent variable and the dependent variable when a significant correlation is observed.

Type of child care service was the independent variable in all analyses. The four levels of service (on-site child care, off-site child care, information and referral services (I&R), and no service) were measured on an ordinal scale with on-site child care providing the greatest amount of care and no service the least.

Seven dependent variables were investigated. In all cases, the basic question was: "Does type of child care service have an effect on the dependent variable, when the covariates are controlled?" The Absenteeism of the employees using employer supported services was the behavior of interest. The attitudes of interest were the influence of the type of child care on the employee's (1) decision to Accept Employment in her company; (2) decision to Continue Employment in the company; (3) Recommendation of Employer to a prospective employee; (4) Availability to Work Over-Time; (5) Acceptance of a Promotion and (6) Perceived Effect on Job Performance.

An additional behavior of interest, Employee Turnover, was computed, and an attitude of interest, Employee Morale, was examined.

FINDINGS:

Absenteeism: Two separate analyses were undertaken to investigate the effects of child care services on the absenteeism of women who used those services: One included all four levels of child care; the second included only three levels (i.e. on-site, off-site, information and referral). The effect of type of child care on absenteeism could not be determined in this analysis. Although there was no significant difference found between the three levels of type of child care in one analysis and the four levels of type of child care in the other, the errors of prediction were large enough to include the possibility that there may be an effect. Thus, given our sample, no conclusions can be drawn as to the relationship between absenteeism and type of child care service.

Accept Employment: It was found that provision of on-site or off-site child care services had a significant influence ($p < .001$) on the subjects' decisions to accept employment. Employees whose employers provide only I&R services were not very likely to state that the child care service had an influence on their acceptance of employment. It is possible to increase the probability that an employee will state that such services influence acceptance of employment by providing more services. Specifically, employees using off-site services and employees using on-site services were approximately 20% and 30% more likely, respectively, to state that the service had an influence on their decisions, than were employees of companies which provided I&R services.

Continue Employment: The partial correlation for this analysis was significant at the .01 level, indicating that the amount of child care services provided does have a positive effect on employees' decisions to continue their present employment. While the pattern here is similar to that of the previous analysis, the magnitude of the changes is considerably less. Off-site company and on-site company employees are only 10% and 16%, respectively, more likely than Information and Referral company employees to state that the company provided services have an influence on their decisions to continue their present employment. Thus, while subjects felt that the provision of the child care services had a positive effect on their decision to continue employment, this influence was not great.

Recommendation of Employer: Employees were more likely to recommend their employers to others when either off-site or on-site child care services were provided by their employer. The relationship between the degree of child care service provided by an employer and employees recommending their employer to others was significant at the .001 level. In this analysis, the responses of employees utilizing off-site services and on-site services did not differ significantly from one another. Both of these groups were approximately 30% more likely than employees using information and referral services to state that they had recommended their employer to others because of the child care services.

Availability to Work Overtime: Employees were more likely to be able to work overtime or odd hour shifts when either off-site child care services or on-site child care services were provided by their employer. The relationship between amounts of child care service provided by an employer and the employee's ability to work overtime was significant at the .001 level. As in the previous analysis, the values for off-site and on-site child care did not differ significantly from each other, and both were larger than the value for the information and referral companies.

Acceptance of a Promotion: A significant relationship was not found between type of child care service and acceptance of a promotion. It should be noted that, as a result of the large number or subjects stating that this item was not applicable, this analysis was based on relatively few subjects per company.

Perceived Effect on Job Performance: The child care service provided by an employer had a positive effect ($p<.001$) on employees' perceptions of their job performance. Employees in companies which provided either on-site or off-site child care services were more likely than those in companies which sponsored I&R services to say that the child care service had a positive effect on the way they did their job. The responses of users of off-site child care and on-site child care did not differ significantly from each other. Users of off-site services were 50% more likely and users of on-site services were 45% more likely than users of I&R services to state that the employer provided services had a positive influence on their job performance.

Employee Turnover: Provision of either on-site or off-site child care services results in greatly reduced turnover rates among users of these services. For sixteen (94%) of the seventeen employers included in the analysis, the annual turnover rate for employees who used the child care service was lower, often substantially, than the annual rate for all employees ($p=.001$). In 63% of the companies the rate of users was less than one half that of the whole company; in 53% of the companies, the turnover rate for users was zero.

Employee Morale: Of the 53% of the respondents providing additional comments more than 80% were of a positive nature. These voluntary comments provide strong substantiation of the view that access to child care proximal to the worksite is a highly valued benefit. The conflicts and anxieties experienced by working mothers as to their children's care have been well reported. In contrast, study respondents repeatedly took the opportunity to express appreciation and gratitude that their employer had relieved them of these worries. In an extension of this, several respondents described at length the positive effects attendance at the child care center had on their child.

It is worth noting that negative comments among users of on-site and off-site services primarily focused on the need for an extension of the service or displeasure with the cost of service rather than dissatisfaction with the existing service. Almost never did these employees express dissatisfaction with the child care itself. Employees who used information and referral services as a rule did not have as positive feelings about the service or about their employer for providing it.

DISCUSSION

Looking at the results of the analysis of absenteeism, it is disappointing although not surprising that the relationship between these two variables was indeterminable. There are many reasons for a person's absence that were not represented in our model. For example, a major cause of absenteeism in female employees is caring for their sick children. There was, however, considerable variation among employers as to allowable sick time. Some employers allowed employees to use sick days for either themselves or their child; others allowed employees to use their vacation days when either they or a child was ill; others allowed no conversion of vacation time for unplanned absences. In most companies, attendance records identified vacation days and sick days by category without designating planned or unplanned. But in point of fact, some employees used vacation days for unplanned absences and some sick days were undoubtedly planned. And, of course, a person's own health, transportation trouble or other difficulties may be equally strong determinants of that person's absence. While the results of this study do not settle the issue, it appears unlikely that with the large number of uncontrollable variables and the relatively small proportion of the workforce affected a statistical relationship can be demonstrated between absenteeism and employers providing child care services.

But reduced absenteeism is only one of the effects which have been hypothesized to result from employer supported child care. The findings of this study provide strong support for the claims that these employer services do produce desired measureable effects. For example, employers considering the institution of a child care service as an inducement for recruitment of new employees will have significantly higher probability of success if they offer some form of near worksite child care service rather than an information and referral service.

And the results of this study demonstrate the relationship between an employer's child care service and the employment longevity of the employees who use that service. Study findings show that the availability of either on-site or off-site child care positively effects both acceptance and continuance of employment. In addition, employees who use an employer supported near worksite child care service are more likely to recommend their employer to others than will employees who have access only to an I&R service.

The findings of this study illustrate that when employers sponsor either an on-site or an off-site child care service for their employees a significant reduction in turnover occurs. In more than half the companies and hospitals turnover of employees utilizing the employer supported child care service was reduced to zero; in several others it was less than fifty percent that of the company turnover rate.

Figures on employee productivity are not always easy to obtain. Assessment by supervisors has been found to be an unreliable measure (Milkovich, 1976). In this study employees were asked, not to rate their productivity, but rather their assessment of the effect of the child care service on their job performance. The findings of this analysis provide strong support for the assumption that provision of proximal worksite child care rather than information and referral service positively effects employees' perceptions of their job performance. Little difference was found in this regard between users of on-site and off-site services. And while not subject to statistical analysis, the voluntarily supplied comments by many of the respondents testify to the positive impact a near worksite employer supported child care service can have on employee morale and attitude.

In conclusion, the results of this empirical study provide a substantial foundation of justifications for corporate child care. Additional statistical evidence of managerial, public relations, cost or promotion benefits could further advance the field. This study can be viewed as a portion of the base of a pyramid building empirical support for employers sponsoring child care services.

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REPORT PREPARED BY MICHELLE SELIGSON, ANDREA GENSER, ELLEN GANNETT, WENDY GRAY, SCHOOL-AGE CHILD CARE PROJECT, WELLESLEY COLLEGE CENTER FOR RESEARCH ON WOMEN

School-Age Child Care

A Policy Report

1 WHAT WE KNOW ABOUT SCHOOL-AGE CHILD CARE

What is school-age care? What does it offer to children? What do we know about parental practices and preferences, determining need, determining demand, and current supply?

Children have always participated in a wide range of after-school activities. What has changed is that today, with the entrance into the labor force of vast numbers of mothers of young school-age children, children can no longer depend on an adult being at home when they return from school in the afternoons or, in many cases, during long school vacations and holidays. Thus, parents express their concern at being no longer able to provide supervision and care for their young school-age children. (The "three o'clock syndrome" is a phrase which expresses this concern as it presents an image of working parents around the country telephoning their children after school to make sure they arrived at home.) In addition, increasing numbers of children are telling us that they do not like the feelings of being frightened or lonely when they are by themselves for many hours.

For the purposes of this *Report*, we define school-age child care as any single program or system of programs formally designed and organized to provide supervision and care for children between the ages of five and thirteen during those hours when school is not in session. (See p. 4 for chart showing the times when school-age children may need some form of care.) This includes before school, after school, and during school vacations and holidays. While we recognize that our description of school-age child care also could define family day care (particularly family day care systems) and that family day care is used by a number of school-age children, we have elected not to discuss family day care in full in this *Report*. The legal, financial, and regulatory issues which affect family day care warrant a separate treatment.

Children between the ages of five and ten are the mainstay of most school-age child care programs, although some children in the older range—between eleven and thirteen—may also attend programs with components designed especially for them. "Good" programs combine the best features of child care, education, and recreation. Children who otherwise would spend the valuable after-school hours alone, watching television, or in less than safe circumstances in their neighborhoods get an opportunity to learn new skills, play with their friends—often of different ages—and develop and expand their interests in such special areas as music, art, sports, dramatics, and reading.

A school-age program provides a continuity and dependability that is necessary for all children; it is not interrupted, as a more informal care arrangement may be, if a neighbor, relative, or friend is ill or otherwise unavailable. The program is always there; children know that when school is over for the day they do not have to face a long walk or bus ride home to an empty house—an event in children's lives which leaves many of them anxious and frightened. Many single parents who use school-age programs speak of this aspect of their children's care as an important benefit for both their children and themselves. Programs help to relieve some of the stress of coping with the multitude of responsibilities confronting single parents.

Many programs offer transportation for children to the program site if it is not located in their school building; in school-based programs, parents know that it is just a short walk from classroom to program space in the very same building to which they bring their children in the morning when school opens.

There is no uniform model: programs can be housed in school buildings, in Ys, in recreation facilities, in day care centers and social or community service facilities. The number of children in a program varies, depending on facilities, licensing requirements, and the program's structure and philosophy. Programs can be administered by a group of parents and community members who establish themselves as incorporators of the organization. Day care centers—both proprietary and not-for-profit—can offer school-age child care either as a separate program or as an addition to existing services. Schools may develop their own programs, often administered by community education departments, and youth-serving agencies such as the Y, Girls' and Boys' Clubs, and Camp Fire can expand their programs to include a school-age component. Many churches offer school-age child care either as a church-sponsored service or by providing operating space to an outside group or agency. In some communities, a municipal recreation department offers school-age care. This is being done, increasingly, in partnership with the schools or with a group or agency in the community.

Some Models of Coordination at State and Local Levels

Some community action groups have made important contributions to the development of school-age child care. By gathering information on already operating programs, they have helped to identify geographic gaps, funding patterns, and rates of use. When matched with needs assessment data, this information provides a planning tool for program development. Community action groups also bring together individuals and organizations with common interests and resources to share. Advocacy groups, local child care resource and referral agencies, schools, parent groups, employers, philanthropic organizations, social service agencies, as well as child care and youth agency programs, can each contribute to the planning process, coordinating their individual resources, providing technical assistance to each other, determining the need for child care, and developing care options.

At the State Level

- In 1978, the California Superintendent of Public Instruction, Wilson Riles, created a special commission on child care to "reexamine the principles and goals of an appropriate child development delivery system for California." The commission found that 372,000 of the 1.6 million children in California between the ages of five and fourteen needed before- and after-school care, but only 106,000 licensed spaces were available. School-age child care was among the top priorities for expansion of services. In the legislation enacted to provide for the expansion of services, it was recognized that SACC is needed by all families, at all income levels, but special acknowledgment was given to the importance of providing services to underserved groups (such as special needs children and children of migrant workers and rural families).[1]
- In Hawaii, in 1977, The Office of Children and Youth, under the auspices of the Governor's Office, brought together groups from the Business and Professional Women's Association, the American Association of University Women, and the Delta Kappa Gamma Society International to discuss projects they might want to adopt. Before- and after-school programs were among the possibilities discussed. The Delta Kappa Gamma Society International volunteered to conduct a survey of after-school activities in 1977-78 under the project directorship of the Office for Children and Youth. The Office for Children and Youth then developed plans and specifications for the project, thus providing a tangible outline for the legislature to review. The legislators were receptive and provided funds to OCY to implement the plan. A research consultant developed an inventory of existing resources and programs and a coordination and technical assistance action plan to respond to community needs. A future phase of the project is to assist those community groups that are ready to develop their own before- and after-school care.[2]

At the County Level

- Between 1980 and 1982, the Tarrant County, Texas, United Way conducted a study of school-age child care supply and demand in the Arlington/Fort Worth area, bringing together agencies and advocates to work on gaps in service delivery. It was estimated that there were approximately twelve thousand young school-age children in the area studied.

The study goal included a determination of how the "total community [families, social agencies, educational institutions, and the community at large] can be utilized to meet the needs of elementary school children before and after school."

- Children with special needs have access to programs specially designed to meet their needs for before- and after-school care in Fairfax County, Virginia. Children are mainstreamed into the school-age programs administered by the County Office for Children. Those who require it can attend a specially designed program for more severely handicapped children.

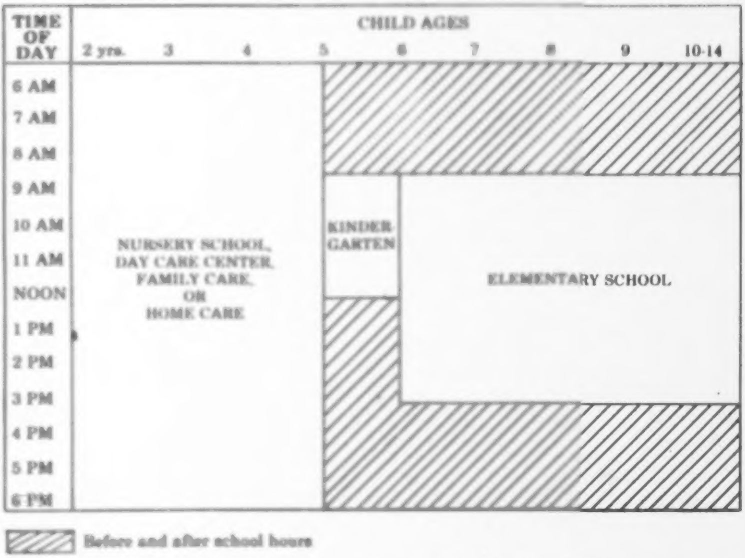
At the City Level

- The mayor of the City of Northampton, Massachusetts, convened a task force of representatives from the Department of Employment Security, Comprehensive Employment and Training Act (CETA), the Department of Public Welfare, and a local community action agency to address the problem of unemployment. The lack of SACC was identified as a serious barrier and, as a result, the task force started a program which was administered by the community action agency. When financial problems threatened the program's survival, the task force approached a local YMCA, which was already investigating the feasibility of a school-age program, and they worked together to save the SACC program.
- The Matoon Association of Commerce and the Coles County Regional Planning Commission conducted a feasibility study of child care needs in the small, rural city of Matoon, Illinois. The study was funded in part by a Title VII private sector initiative grant (CETA) and it applied to the approximately three thousand nine- to twelve-year-old children in the area.

  Interviews were conducted with government officials, early childhood specialists and employment training personnel. A questionnaire was developed which solicited information from day care centers and family day care homes about their service capacities. On-site visits were also made. Three hundred and eighty-four employees (with 724 children), responded to a questionnaire distributed by employers cooperating in the study. Employers were also surveyed. School-age child care ranked second after full-day care for preschoolers as an important unmet need. The study recommended that additional programs be initiated to provide before-school, after-school, and vacation child care for school-age children.
- In San Francisco, California, the School-Age Project, under sponsorship of the Children's Council of San Francisco, researched the need for school-age care as part of that city's plan to increase school-age child care resources. A private foundation grant was provided to the School-Age Project to be used to develop a resource center, to establish a parent-provider association to advocate for increased school-age care in the city, and to train care providers.

  Two city commissions have also addressed the issue of school-age child care: The Mayor's Office of Child Care, and the Delinquency Prevention Coordination Council. The Mayor's Office of Child Care made school-age child care its number one priority in 1981, successfully worked with the city's school district to reduce rental fees for community-based after-school programs using school district facilities, and received and administered a demonstration grant from a private foundation to provide start-up funds for parent-run programs at four public school sites. The Delinquency Prevention Coordination Council raised private funds to operate supervised summer recreation programs at neighborhood schools throughout the city, and is currently working on plans to construct an adventure playground for the children of San Francisco.
- After several months of negotiation, in the spring of 1982 the Kenmore-Tonawanda School District, just north of Buffalo, New York, cooperated with the Buffalo Child and Family Justice Project, a community task force, in conducting a needs assessment survey. This survey showed substantial need for SACC and parent interest in school-based programs. The Child and Family Justice Committee submitted a proposal to the school board, and received board approval of pilot after-school programs serving children in three elementary schools.
- In Madison, Wisconsin, special needs children are mainstreamed into city-wide programs run by the After-School Day Care Association with financial assistance from United Cerebral Palsy, a private social service agency.

Table 1-1 Times When School-Age Children Need Care*



* Adapted from the Hendon et al., *The After School Day Care Handbook: How to Start an After-School Program for School-Age Children.* Community Coordinated Child Care (4-C) in Dane County, Inc., Madison, Wisconsin. Reprinted by Wisconsin Department of Health and Social Services, May, 1977.

What are the Problems in Developing School-age Child Care?

First, as a nation, we are still of several opinions about the need for school-age child care. The school remains, for many parents, the most widely used child care arrangement, at least for that portion of the day when children are attending school. Our rapidly changing social and economic lifestyles have moved faster than our consciousness of—and resultant reactions to—our children's needs for consistent and safe environments of care. We tend to think of young school-age children as an undifferentiated group, but, in reality, children who are between the ages of five and thirteen represent a wide range of developmental stages and needs. Public awareness of the advantages to children and their families of some form of organized activities must be a matter for attention at the policy level *and* in the public consciousness.

Demand and supply data *are* important indicators for policy action. But quantitative proof of parental practices and preferences, reliable information about current supply of school-age services, and the intersection of that supply with demand is elusive. First, parents, in responding to surveys, report that they are caring for their children, even though parents in both single and two-parent households are working full-time in increasing numbers.

Second, need for school-age child care cannot and should not be determined only by looking at demographic data or at the results of demand surveys. Children need to feel safe, to explore their interests and skills, and to be part of a community. As our communities and families become increasingly unable to provide the kinds of environments within which a child can feel both safe and free to explore, then organized services and activities emerge as an important, if not critical, element in a child's development. (See Chapter 2)

Third, as a source of supply for school-age child care, the nation's public schools have enormous potential. Recently, many schools have participated in providing school-age care as partners with local community organizations. Yet, in some areas, schools have been threatened by litigation by those who oppose the use of public schools for day care. The absence of policy and operating guidelines at both state and local levels leaves schools vulnerable to such opposition and also allows an aura of confusion to cloud such issues as liability and the extent of the financial obligation schools incur when they enter into partnership arrangements with day care provider groups. (See Chapter 4)

Fourth, policy neglect of school-age child care is primarily felt by low-income families for whom the cost of care must be at least partially subsidized. Today, federal government funding cuts have severely reduced or eliminated funding for school-age child care programs in a number of states. In addition to government support, other sources of financial support must be tapped and utilized if this population of children is to be served. (See Chapter 5)

Fifth, state and local day care regulation of school-age programs can be ambiguous and inappropriate. Many states do not have regulations for group day care homes which would enable family day care providers to serve more school-age children. Local zoning laws and land use covenants impede child care development by requiring that child care operate only in nonresidential zones (or by banning child care in commercial zones), by stipulating high application and permit fees for rezoning or special use petitions, and by developing their own standards for space and parking. (See Chapter 6)

School-age care makes an unwieldy "fit" within recognized frameworks of child care, education, and recreation. No one discipline "owns" it and, as a result, quality and content are highly variable from program to program and from community to community. Few courses are offered at colleges and universities, and the little money available for state-sponsored training rarely is spent on this field of child care.

The question before policymakers is whether the existing array of services can be made to meet new realities of family life. The challenge for policymakers is to create administrative and funding solutions which will provide for some form of support for the school-age child care needs of low-income families. It is this group of families that depends on initiatives at the federal, state, and local levels to design policy under which existing funding mechanisms will be examined with an eye towards their expansion and better use for school-age child care. Other challenges for policymakers are in the area of enabling policy geared towards the maximal use of already existing resources—public schools, for example—and the examination of regulatory policies which may impede the delivery of school-age care in some communities.

In the absence of conclusive data on the national picture of demand for and supply of school-age child care, we can use several indicators to construct a composite picture. Results from a few national studies on parental preferences and practices and a growing body of data from local studies and surveys of supply and parental demand do provide some part of this picture. Looking at demographic data also helps: the increase in numbers of mothers of school-age children working outside the home, the rising numbers of children living in single-parent households, estimates of numbers of children caring for themselves on a regular basis—all are suggestive of greater need for services.

Demographics

Today, more mothers of school-age children are working outside the home, and the numbers are predicted to increase by 1990. In 1981, 15 million children between six and thirteen had working mothers. (This represents 66 percent of mothers with children aged six to thirteen.[3]) Another 1.4 million five-year-olds also had mothers in the labor force (48 percent of mothers with five-year-olds[4]). Of the mothers of school-age children who work, 79 percent work full time.[5] When mothers of five-year-olds worked full time, 84 percent of their children were enrolled in some type of preprimary program (nursery school, day care, or kindergarten), according to the 1980 census data. Of this 84 percent, only 36 percent of these five-year-olds were enrolled in an all-day program, so at least 48 percent would need additional care arrangements.[6] It is predicted that by 1990 at least 18 million children between six and thirteen and 1.6 million five-year-olds will have mothers in the labor force;[7,8] a 17 percent increase in the population of five- to nine-year-olds is also anticipated.[9] By that time, 70 to 80 percent of women aged twenty to forty will be part of the labor force.[10]

Children of single parents may be especially in need of before- and after-school care. In 1981, 12.6 million children (20 percent of all children) lived with one parent. Ninety percent of these parents were mothers.[11] Seventy-four percent of single mothers of children six to thirteen are working outside the home. Sixty-nine percent of those mothers work full time.[12] It is estimated that 50 percent of all children can expect to live in one-parent homes for a significant part of their lives.[13]

Low-Income Children

Reduced family resources for child care and restrictive eligibility requirements for government support of child care significantly affect children in poor families. While the need for school-age child care cuts across all income groups, poor children may be at the greatest risk from the lack of supervised and content-rich services. A 1983 report by the United States Commission on Civil Rights states:

> *Today women who maintain their own families are an ever-increasing proportion of the poverty ranks. These women are often the sole providers in their families... Hence, women who head families often have inadequate resources, resources that are strained further by the need for child care.*[14]

The need for child care has not been documented for the school-age children of migrant farm workers, rural poor families, and other groups that are out of the mainstream. Except for some attention by the Federal Interagency School-Age Day Care Task Force of 1972,[15] and a 1978 study for the Children's Bureau,[16] little attention has been directed to the needs of these groups. Children of migrant workers tend to resemble their counterparts in the late nineteenth century: A 1981 *New York Times* article quoted one young school-age child: "No boy scouts, no girl scouts, no summer vacation, just field work in free time."[17] (Some programs do serve this population of children and in some states receive funding under laws governing services for migrant workers. New York State, for example, mandates child care for children of migrant workers under that state's Agriculture and Markets Law. However, such programs report special operating problems: enrollments are never constant, but change daily; hours of operation must fluctuate to accommodate the working hours of parents and older children; and, often, constant lobbying is necessary to maintain even low levels of government support.)

Children With Special Needs

There are an estimated three million, two hundred and thirty-four thousand handicapped school-age children in the United States who are enrolled in some form of special education program in the public schools.[18] While many of these children do receive some form of services from the public schools, as required under PL 94-142 (The Education for All Handicapped Children Act), a 1979 report of the Children's Defense Fund estimates that more than one in five children were not receiving educational services to which they are legally entitled.[19] In 1980, the Bureau for the Education of the Handicapped estimated that some two hundred and thirty thousand three- to five-year-olds were receiving child care through PL 94-142 legislation.[20] For some children with severe handicaps, respite care programs are available in their homes. The lack of national data on the child care needs of handicapped children and their families and on the availability of services makes it difficult to evaluate the extent to which the needs of this group are being met. To date, only one state has documented this problem. The California Child Development Programs Advisory Committee prepared a report in 1983, *Child Care Needs of Exceptional Children*, describing the need for child care for this population of children.[21]

What We Know about the Numbers of "Latchkey" Children

In the absence of definitive national data on the numbers of school-age children in self- or sibling care, estimates during recent years have ranged from a low of 1.8 million, reported by the U.S. Bureau of the Census in 1976,[22] to a high of 7 million reported by *Editorial Research Reports* in 1983,[23] a spread of almost 400 percent. The Children's Defense Fund estimated in 1982 that almost half of the 13 million children aged thirteen and under whose mothers are employed full time may go totally without care.[24] Almost 1 million (or 58 percent) of the children aged three to six and 4 million (or 66 percent) of seven- to thirteen-year-olds were reported by the U.S. Bureau of the Census in 1976 to be cared for *by a full-time working mother*. The highest estimates of numbers of children in self-care include those children whose parents are working full time *and* who report that they are caring for their children. For those who include these figures in estimates of the number of children in self-care, parent care constitutes self-care by default. Lest these estimates appear high, anecdotal reports from teachers and public officials across the nation support our contention that large numbers of school-age children are caring for themselves. A 1981 *U.S. News and World Report* article reported that a sixth-grade teacher in Glen Burnie, Maryland, learned that twenty-four of her twenty-eight pupils (87 percent) were "latchkey" children. Another teacher estimated that 80 percent of the students at an elementary school in Indianapolis, Indiana, were in self- or sibling care after school. Houston, Texas, officials estimated that between 40 to 60 percent of the city's school children routinely cared for themselves.[25]

The *Family Circle* magazine survey to which ten thousand women responded found that the most common child care arrangements reported for six-to thirteen-year-olds was self-care.[26] Twenty-eight percent of the children in the survey were reported to be routinely caring for themselves. Fifteen percent of the parents gave no response to the question on school-age care practices used. The *Family Circle* survey also asked parents about their preferences for child care. The most common response (27 percent) was that parents wanted school-age child care "somewhere else" other than in day care centers or in their or another's home; only 1.7 percent of the parents responded that they preferred self- or sibling care. A more recent survey by *Working Mother* magazine, to which 756 women responded, found that 76 percent of the children were reported to be routinely on their own between 12:00 noon and 6:00 p.m.[27] In 1979, a California study estimated that 23.3 percent of the 1.6 million children between the ages of five and fourteen required before- and after-school care, but only 29.5 percent of the need was being met through licensed programs or family day care.[28] Long and Long's review of the incidence of self- and sibling care cites another California report on sibling care.[29,30] Sixty-six percent of all eleven- to fourteen-year-olds in Oakland were found to be responsible for younger siblings at some point during the week; 10 percent on a daily basis; 23 percent from two to five days a week.

In 1982, a study was conducted by Applied Management Sciences for the Administration for Children, Youth and Families (ACYF) of the U.S. Department of Health and Human Services. In a random sample of all households with children aged five to fourteen in Virginia and Minnesota, it was found that parent care was cited as the predominant mode of care by full-time working parents. The second most frequently used child care arrangement for children under age fourteen was self- or sibling care.[31] Approximately 11 percent of school-age children from all families were found to be caring for themselves. Consistent with other studies, variations in self- or sibling care were found to be dependent upon the age of the child. Younger children (aged five to eight) were found to be in self- or sibling care considerably less frequently (5 percent in both states) than older children. Among nine- to eleven-year-olds, 7 percent of Virginia children and 11 percent of Minnesota children cared for themselves, while among twelve- to fourteen-year-olds, 22 percent in Virginia and 15 percent in Minnesota were in self-care.* Although few children in this study began self-care before age seven, 40 percent were found to begin self-care between ages eight and ten, and an additional 40 percent between eleven and thirteen. Self-care was found to be most prevalent in suburban settings. Although few socioeconomic differences were found in Minnesota between children in self-care and those in supervised settings, below-poverty-level families in Virginia were more likely to have children caring for themselves.

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* In 1983, *Editorial Research Reports*, using data from the U.S. Bureau of the Census, estimated that among three- to six-year-old children only four tenths of a percent are reported to be in self-care. The corresponding figure for seven- to thirteen-year-olds is 13.1 percent.[illegible]

A recent study by Gray of school-age child care practices of 535 families in nine cities found that 7 percent of all children were reported to be in self-care and an additional 12 percent in sibling care.[33] School was cited as the primary source of child care by 11 percent of the respondents, and parent care accounted for 19 percent of all care arrangements. Gray's findings agree with those of the ACYF study and other studies with regard to the direct relationship between self-care and age. Twelve- to fourteen-year-olds were found to be five times more likely to care for themselves than six- to eight-year-olds and twice as likely as nine- to eleven-year-olds. Contrary to other studies, no significant differences were found by Gray in self-care according to parental work status (full time vs. part time)[*] or with regard to the number of children in the family.[†] These families increasingly rely upon children caring for each other.

It is apparent that no definitive answer can be given as to the numbers of children currently in self- or sibling care. Part of the confusion is a direct result of the lack of definition of what ages are to be included in the study of school-age child care. Another problem is the unfortunate practice of reporting child care arrangements of part-time and full-time working parents as a single statistic, and/or reporting multiple sources of care simultaneously.

While national magazine surveys do provide some clues as to the numbers of different types of arrangements parents make for their children's care, the lack of rigorous sample methodology introduces unknown bias in the results. Far more definitive statistics must be made available on which to base future policy and programs. A recent report by the Congressional Budget Office (1983) lends new urgency to the need for more accurate data in this area. According to this report, we can expect an increased demand for nonfamilial care for children between 1980 and 1990 due to an actual increase in the number of children under age ten. A 17 percent increase is expected among five-year-olds and younger; a 10 percent decrease in ten- to eighteen-year olds.[*] Given the present and projected level of federal support for school-age child care, the CBO report emphasizes that the supply of nonfamilial care available to low-income families will probably not keep pace with demand.[40] This would lead to a shift to greater use of informal modes of care, to lower quality, to less supervision, and, in some instances, to leaving even larger numbers of children unsupervised.

Parental Preferences and Practices

Families care for children in a variety of ways, along a continuum which includes: self-care; care by friends, relatives, or neighbors; organized activities ("defacto" school-age care) such as drop-in recreation programs; the use of libraries, parks and playgrounds; afternoon music, art, or religious lessons, perhaps combined with several afternoons at friends' houses; and formal arrangements—day care centers, family day care, and specialized school-age programs.

Parental choice of child care arrangements is often related to the age of a child and to the presence of other relatives (including siblings) in the household. Many families use multiple arrangements, combining two or more types of care to cover the child's out-of-school hours.

Every solution has virtues and drawbacks. "Informal" solutions work well for those families with relatives nearby or neighbors who are able and willing to contribute time. Some mothers have been able to work part-time, tailoring their work schedules to coincide with their children's after-school hours.

But many families report that they are not particularly satisfied with their care arrangements, particularly when children are caring for themselves. Many families are no longer able to rely on informal resources for care: relatives live far from each other, and the family's traditional child care providers—aunts, grandmothers, teenagers, and neighbors—may themselves be working outside the home.

What do studies on parental practices and preferences say? Nationally, poor data exists on the current demand by parents for school-age child care, on the availability of services, and on the relationship between supply and demand. Major studies on child care conducted during the past ten to fifteen years have not devoted much attention to the question of school-age child care. (An exception is the 1982 *School-Age Day Care Study* by the Administration for Childreh, Youth, and Families of the U.S. Department of Health and Human Services (ACYF/DHHS).[41]

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[*] A 1968 study for the Children's Bureau found that parents employed full time were twice as likely to use self-care as those employed part time.[34] The U.S. Bureau of the Census found that 18 percent of children of full-time-employed parents were in self-care, as compared to 7 percent of part-time-employed parents.[35]

[†] Several studies cited by Gray have found that the use of paid methods of child care decreased with an increase in the number of children in a family.[36,37,38,39]

[*] This decrease is viewed as particularly significant since it reduces the numbers of older children available to care for younger brothers and sisters.

- Studies on parental preferences are typically measures only of what is already available, and what parents would use of already available services. Given what exists, parents will make choices then, among *available* options. Some will initiate services, but most will not.
- Studies have often failed to differentiate between methods of care (and preferences for care) selected by parents for different age groups. Many studies lump together data on care for preschool children and young school-age children. Within the group of children classified as school-age, younger and older children are grouped together (six- to fourteen-year-olds) and five-year-old kindergarten children are often left out entirely or are placed in the preschool category.
- Researchers also have had difficulties defining the age of a school-age child: for example, the CBO and the DHHS define school age as six to thirteen, yet the Census Bureau collects data on children from seven to thirteen. And the five-year-old kindergarten population figure is often left out entirely or submerged in data on preschool children.
- Parents also include themselves as the major caregiver of their children, even when they are working full time. Some authors speculate that this occurs because parents are embarrassed to admit that their children care for themselves, lest interviewers regard them as "inadequate" or negligent parents.[42,43,44] Consequently, there may be underreporting of numbers of children in self-care arrangements. In addition, some children may be in the care of "relatives" not much older than themselves—siblings aged eight or nine.
- Some studies combine types of care used by both working and nonworking families. Thus a caregiver used while parent(s) go out in the evening is reported, along with a caregiver used while parents are working. Reporting data in this manner creates confusion rather than clarity.
- School-age child care has not received much attention in major studies on the supply of day care. Between 1970 and 1980, one dozen major studies on day care were conducted by government and private research institutions; although school-age children were included in the survey samples, most studies focused on preschool day care. When school-age child care arrangements *were* included, researchers had problems defining all the possible categories. For example, while in one study the school was regarded as an important source of child care, in another only nursery schools, Head Start, and kindergarten arrangements were included. In still other studies, schools were grouped into a category with other "informal" sources of care, such as babysitting. Still others ignored school arrangements altogether.

A few studies conducted since 1968 do tell us something about parents' stated preferences about school-age child care. The *National Child Care Consumer Study* (1975) asked parents what kind of care they would prefer for their school-age children. The most common response (26 percent) for children ages six to nine was "a day care center." Nearly 75 percent of the parents disagreed with the statement "All the school-age child needs is someone who knows where he is after school until the parent gets home." Nearly three-fourths of the parents agreed that there are not enough places for children to go after school and that every community should have "supervised recreational programs" for after-school hours. When asked about the role of the schools, nearly 60 percent agreed that the schools should provide such activities.[45]

Small-scale local studies. Although reliable data at the national level do not yet exist, local studies do exist, and although they are not generalizable, they have the advantage of presenting a close, in-depth picture of communities of parents and their child care practices and preferences. For example, a recent study of 953 employees from three Washington, D.C., area employers shows the impact of parental responsibilities on workers and gives us a glimpse of what these parents are doing for child care.

In this study, parents' use of child care was determined by the number of children and the presence of people in the household who could serve as a child care resource; employees who were parents without other adults in the household tended to have more absenteeism related to child care responsibilities. Further, employed parents in this study frequently used self-care for their children; although most of these children were aged twelve to fourteen, 19 percent of the children were nine to eleven, and 5 percent were eight years old or younger. The study reports that a third of the parents said they had mixed feelings about using self-care, and that many employees experienced some difficulty when they tried to find out-of-home child care.[46]

Long and Long (1983) found that 33 percent of elementary school children in Washington, D.C., reported regular self-care; the corresponding figures in the more affluent suburbs of Washington were 11 to 12 percent. Long and Long also report on a 1982 study by Hughes in Maricopa, Arizona. Thirty-one percent of the families with children aged six to eleven reported self-care. Long and Long observe that where the percentage of families with a single working parent is high, even the estimate of one-third of children aged thirteen and under in self- or sibling care may be too low.[47]

According to a study by the Metropolitan Kansas City Working Parent Project, of 50,000 working-parent households, approximately 23 percent of the households' school-age children ages five through twelve (average age is ten) stay alone on a regular basis. Nineteen percent of the households reported that after-school care is provided by in-home sitters, 80 percent of whom are siblings.[48]

Children in poor families without care were described in a recent New York City study. In this study of 211 families whose publicly subsidized day care was terminated because of recent cutbacks in eligibility for social services block grant funds, the authors estimate that at least 19 percent of the children were regularly left without supervision during all or part of their parents' work day. "Despite assertions that their children were old enough and responsible enough, probing revealed that most parents experienced great ambivalence, concern, and dissatisfaction, but felt they had no other choice . . . Close to one-fifth of the parents left their children unsupervised for between four and eight hours a day. One-fourth of the children had been left alone beginning at age seven or younger. By the time they were twelve, 95 percent stayed by themselves."[49]

Measuring Local Needs; Needs Assessments. When asked about their needs and preferences for their young school-agers, many parents report that they not only would like child care options but also that they would use them if they were available. School districts, Leagues of Women Voters, Junior Leagues, parent teacher organizations, and business associations are among the groups that have designed and administered parent needs surveys as planning tools for the development of school-age child care services. For example, a survey sponsored by the Community Education Department in the Rochester, Minnesota, elementary schools found that of 1,672 parents of children in grades kindergarten to six who responded to the survey on school-age child care needs, 48 percent said they would like an after-school program. Eleven percent of these parents also indicated a need for before-school assistance. Even greater levels of response were obtained from a Greenburgh, New York, League of Women Voters school-age child care study: 80 percent of the respondents said they would make use of an after-school program were one available.

These are not isolated survey results. Many communities are currently exploring needs in a similar fashion. Need surveys offer no guarantee of maximum use of programs and do not give a basis for projections of the number that would use the program. However, need surveys do offer documentation on which to base development decisions.

Child Care Information and Referral Data. Parents within reach of child care information and referral agencies are seeking child care options for their school-age children. The Cambridge, Massachusetts, Child Care Resource Center reports that for the months of June-August, 1982, 30 percent of their incoming calls for information and referral were for school-age child care — the largest percentage of all calls. Although these calls were recorded during the summer months immediately preceding the beginning of school, calls for school-age care remained at fairly high levels during the following three-month period: 20 percent of all calls were for school-age care. This recent data is consistent with a small survey of six information and referral agencies conducted by the School-Age Child Care Project in 1980. The percentage of requests for school-age care ranged from 12 to 28 percent over a period of one year (September 1979-September 1980). The five agencies surveyed represented areas in the states of California, Minnesota, New Mexico, Connecticut, Oregon, and Massachusetts.

Who's Providing School-Age Care Today?

Today, no one model dominates the supply of school-age child care. However, states have the most comprehensive information on the supply of school-age programs. Most states license school-age child care, either as part of existing regulations for day care centers or under separately legislated regulations for school-age programs. In spite of some problems with the definition of what constitutes a school-age child care program — some states and local licensing regulations may use such terms as "day camp" to define school-age child care programs; public school-run programs and programs run by municipal agencies are usually exempt from licensing requirements—licensing lists do provide a handle on existing supply at the local level.

Programs are organized and administered by a variety of groups, agencies, and organizations. Nor are programs the sole option. In Riverside, California, a family day care network is administered by the county public schools; in Fairfax County, Virginia, the County Office for Children recently began a pilot "check-in" family day care project for older children; and in Acton, Massachusetts, children "too old" for day care can sign up for The Connection, a series of varied activities which take place in the community (the "business connection," the "creative connection," the "personal connection," and the "sport connection") on a regular schedule conforming to the child's after-school hours and parents' needs for child care.

Between 1979 and 1980, the School-Age Child Care Project identified and gathered information about school-age child care programs throughout the United States. In a national telephone survey of thirty-three states and the District of Columbia, the staff identified 171 programs which included a variety of SACC models—with a high proportion of programs having public school involvement. In addition, intensive telephone interviews were conducted with the staffs of 122 programs, and field visits were made to more than 25 programs in 16 states. Since 1979, the project has been in contact with individuals, groups, and organizations in all fifty states.

Our findings reinforced those of the earlier study conducted by the federal government's interagency School-Age Day Care Task Force:

- there was increased interest on the part of parents, due to a growing need to locate accessible, affordable, and reliable child care;
- a wide range of groups and organizations was involved in providing services;
- "partnerships" or collaborations of some type were being forged between social service organizations, day care and community-based agencies, groups of parents, and public schools;
- the resources of community youth-serving agencies, such as the Y, Boys' and Girls' Clubs, etc., were beginning to be used in new ways to meet the growing need for formal child care for school-age children.

We also found that public school-based programs were developing rapidly. We attribute this to the increased interest of parents in locating accessible child care for their school-agers; in benefits to the schools in offering some form of support for school-age programs (increased enrollment, utilization of under-used facilities); and in the increasing financial constraints on community agencies (particularly in transportation costs) which make a school-agency partnership desirable.

Community Organizations and Parent Groups. One of the most interesting developments in the delivery of school-age child care is the entrance of community and parent groups into the "service" arena. Perhaps because they lack other options or because they prefer it, these groups (including members of Leagues of Women Voters, parent teacher organizations, and parents in local elementary schools who affiliate for the express purpose of starting a program) often take the lead in initiating programs and, in some cases, also manage them. Typically, such organizations choose to locate a program in a school and must take a major role in negotiating with school officials the use of school space and other legal and administrative details.

Diversity in the design and administration of school-age child care programs is the greatest strength of such groups. Community resources can be explored for expansion potential: unused schools, portable classrooms, or classroom space can be tapped for use; municipal buildings near parks and playgrounds can be used; churches and other religious institutions can donate the use of their buildings; and facilities can be donated by local businesses.

Developing an action plan provides an opportunity for a wide range of policymakers—state and local officials; administrators, employers, and representatives of foundations and charitable organizations—to collaborate. Often school-age programs evolve from a meeting of a community task force which wants to "do something" about the problems faced by young children who are without care and supervision before and after school and during school vacations and holidays when their parents must work.

Family Day Care. In the *National Day Care Home Study* (1981), it was reported that for school-age children "most family day care is provided in informal, unregulated settings and that proportionally few school-age children are found in regulated or sponsored care." In this study, regulated care, unregulated care, and care by relatives were combined, so it is difficult to assess both the amount of family day care nationally and the extent to which school-age children are served in family day care settings. However, study researchers speculated that the unequal distribution of school-age care "probably" reflects unmet demand for regulated and sponsored care for children in this age group, and may occur because reimbursement rates are lower for providers of SACC than for providers of preschool care.[50]

Youth-Serving Agencies. In recent years, organizations such as the Y, Boys' and Girls' Clubs, and Camp Fire have begun to offer more school-age child care in addition to their existing activities. This has taken place in response to the problem of many children with no place to go on a regular basis after school, in response to parental requests, and in order to use the organization's own existing services. The national office of the YMCA reports that five to six hundred of its affiliate programs are supplying school-age care in over one thousand sites throughout the country. The YMCA estimates that one-fourth of a million children are being served by these programs.[51] The national office of the Young Women's Christian Association (YWCA) reports that in 1982 an estimated forty-five formally organized school-age child care programs were provided, out of a total of four hundred YWCA programs.[52] Of 320 Camp Fire councils nationwide, twenty-seven were providing after-school programs or drop-in centers in 1981.[53] Other youth-serving agencies (Boys' and Girls' Clubs, settlement houses, centers operated by the Salvation Army) also provide SACC or drop-in services, along with regularly scheduled activities. (The organizational structure of many of these organizations provides for the autonomy of affiliate groups; data-gathering does not always reveal the activities of member groups in full detail, so numbers in many cases may not reflect actual practice.) Several of these organizations—Boys' Clubs, Salvation Army, United Neighborhood Centers (which operate settlement houses)—focus their efforts in urban and inner-city locations. Both the YMCA and Camp Fire have recently written resource and training manuals for affiliated groups that wish to develop more formally organized school-age child care programs.

In addition, some national organizations are sponsoring or developing materials which teach "survival skills" to children who care for themselves before and after school. This includes the Boy Scouts of America's "Prepared for Today," Camp Fire's "I Can Do It," and the "I'm In Charge" curriculum of The National Committee for Prevention of Child Abuse. Similar materials have been designed by local groups such as "On My Own," prepared by the Michigan Pine & Dunes Girl Scout Council in Muskegon, Michigan.

Public Schools. Although many schools are currently providing space for community- or center-run programs and some schools are administering their own programs, no national data exist on the extent to which schools are involved. There is no debate, however, about the increased interest schools have shown in school-age child care during the past few years. A 1970 survey of school superintendents showed that only 8 percent of the 1,390 superintendents who responded identified their school systems as providing some form of school-age or preschool day care services.[54] Today, that picture is quite different, as mayors, city managers, school officials, and administrators begin to select different policy approaches to managing unused or underused school facilities.

Private Schools. There are indications that, increasingly, private schools are providing after-school child care services for their elementary school children. In 1983, the National Association of Independent Schools conducted an informal telephone survey of private schools in seven cities. This survey found high levels of involvement in school-age care in all the cities surveyed: one-third of the schools surveyed already had operating programs and another one-third was planning to provide them.[55] As reported in a 1982 publication, interviews with personnel in ten independent schools with extended day programs confirm this trend. Private schools report distinct benefits to both the schools and the families served by these extended day programs: "Headmasters were pleased and could trace enrollment growth to the extended service. One school's internal survey showed that many parents would not have enrolled youngsters had there not been an extended day offering. Parents were relieved to have found child care and experiential programs rather than the . . . child storage option."[56]

Employer-Supported Child Care. Across the country, employers are becoming involved in child care, although the highest level of involvement is still focused on preschool children. A survey conducted by the National Employer-Supported Child Care Project (NESCC) in 1982 identified approximately 415 employers who either ran programs, supported child care programs in the community, reimbursed employees' child care expenses, provided information and referral programs, sponsored family day care homes, or had educational programs for parents.

The survey reported that 86 of the companies that have their own child care centers (40 percent of a total of 211 companies with centers) reported that they care for school-age children aged six and over. About as many SACC programs were located at the worksite as were not; roughly two-thirds of the programs were open year round, another third were open only during the summer. Most of these programs served small numbers of children.[57] So, although these companies are in the advance guard in offering SACC, it is not a widespread practice.

At this writing, a number of companies (close to 1,000, in some estimates) are conducting feasibility studies on the possibility of providing child care in one form or another.[58] Informal observations by managers and results from company-wide needs assessments indicate that more concern is being shown for needs of school-age children. Employers in worksites across the country are becoming sensitive to the "three o'clock syndrome."

Church-Supported School-Age Child Care. In 1982 the National Council of Churches conducted a study of its member churches and found that of the 27,000 churches which responded to the survey questionnaire, 8,700 of them were operating 14,589 child care programs. On a follow-up questionnaire sent to 3,362 churches, 28 percent responded that they were providing before- or after-school care; 89 percent offered care to kindergarteners; 72 percent to grades 1-3; and 36 percent to grades 4-6. Of the churches that provide care to school-age children, 89 percent do so on a daily basis; 62 percent on holidays and school vacations; and 70 percent during the summer vacation. These figures represent almost one-third of the total of 3,362 churches which provide some form of child care.[59]

Day Care Centers. No national day care supply study has been conducted since 1977, when the National Day Care Supply Study conducted by Abt Associates estimated that there were 18,300 day care centers in America serving approximately 900,000 children. Slightly more than one-third of that enrollment was comprised of children five and older, with five-year-olds representing 21 percent of the total enrollment and children aged six and older representing 14 percent. A substudy of this national sample found that about four-fifths of the kindergarten-age children were enrolled in these centers full time, and one-fifth on a part-time basis. This suggests that many parents were using day care centers as a full-day alternative to the half-day of public kindergarten or the use of part-day care in centers for kindergarten children. When their children entered the first grade, however, parents did not very often rely on day care centers as an adjunct to the school day. (No more than 6 percent of children in center enrollment were there for after-school care.[60])

Along with nonprofit day care centers which may offer school-age care to their own "graduates" or to siblings of preschool children already in attendance, proprietary child care centers are also involved in providing SACC. This category includes the one-site "Mom and Pop" center or nursery school, and large, corporate, child care chains. In February 1983, the School-Age Child Care Project conducted a small telephone survey of four child-care companies of diverse size and in various geographic locations to determine the extent of their involvement in school-age child care. One company, the nation's largest for-profit chain, reported that approximately 30 percent of their enrollment was school-age children; another reported that 20 percent of the children they served were school-agers. (The other two served school-age children in somewhat smaller percentages.) One company stated that the need for school-age care figures importantly in the company's decision to start a new center. Most companies surveyed reported that school-age enrollments were growing every year.[61]

Programs for Children with Special Needs. Ninety-five of the 122 programs interviewed by the SACC Project said they do admit children with handicaps, but most do so on an occasional basis only. Twenty programs said they admit "many" special needs children, but they seem to admit only those children with moderate special needs—learning-disabled children or children with slight physical disabilities. The lack of services for handicapped children stems from several causes. There is no funding mechanism for school-age child care programs that serve special needs children at present. The Education for All Handicapped Children Act of 1975 (PL 94-142) does include language that would suggest that child care might be considered an "extracurricular" service to which a child is entitled. However, funds which might be used for "beefing up" staffing or for special staff training to better serve handicapped children are used by school districts for regular education programs or specialized services (health and rehabilitation). Understandably, funding constraints mandate that these funds be spent for education. But handicapped children stand to gain much from socialization and learning experiences in informal settings, alongside other children. And *these children, by law, have the right to equal access.* At this time, few school districts or systems allocate funds for handicapped children for the after-school-hours services to which other children are granted access. Parents of handicapped children are often too busy fighting for the educational programs their children must have to lobby for changes in this system. While in some states centers can receive a license to serve children with special needs, without some additional income with which to provide adequate services, most programs will be unable to serve this population well.

2 WHAT DOES THE RESEARCH SAY?

The Effects of Self-Care on Children

While numerous studies have been conducted between 1950 and 1980 on the effects of maternal employment among two-parent and single-parent families on children's cognitive and psychosocial development, the majority of these studies suffer from a serious omission in their conceptual framework. Few studies, including the most recent by the U.S. Department of Education in 1983, have considered the direct or indirect effects of the child care arrangements of working parents.[1] Indeed, much of this research appears to assume that continuous, alternative sources of child care are available and used. Whether this omission is the result of oversight or the lack of an adequate national data base on school-age child care arrangements, it renders most current research inadequate for answering questions on the effects of self-care on children's outcomes. While research indicates positive, long-term social and economic benefits to young children from preschool education,* no parallel studies have been designed to discover if participation in some type of organized school-age activity program can act as a preventative strategy against costs associated with rising rates of juvenile crime, pregnancy among young adolescents, and other conditions that require intervention. Nor has a national agenda been developed to set goals for school-age programs in terms of children's developmental needs.

The history of school-age child care indicates that the problem of latchkey children has been a long-standing concern among both the public and professionals in this country. Yet, despite this concern and the rapid social change which has occurred over the past two decades, both the social response to the care of school-age children and research on the consequences of different forms of care has lagged far behind. Growth in the numbers of school-age children caring for themselves—in every economic bracket—has lent a new saliency to the need for research on both the short- and long-term effects of self-care. What little research has been published over the last ten to fifteen years in this area has been either cross-sectional or based on local studies which are not generalizable. The primary focus has been on measuring the effects of self-care on cognitive functioning and social adjustment; children's fears; play and peer relationships; and risk for abuse and accidents. Rarely has research in this area taken into account the cumulative effects of self-care. As the following review indicates, the research findings currently available are far from definitive. Rather, they serve to underscore the urgent need for carefully conducted large scale longitudinal studies to help determine both policy and programs for school-age children.

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* Findings from the High/Scope Foundation's Perry Preschool Study demonstrate that preschool prevents problems and increases the effectiveness and efficiency of the social investment already made in schooling.[2]

Cognitive and Social Adjustment

In 1944, Zucker observed that whether it was harmful for a mother to work depended on the arrangements she made for her children.[3] Several more recent studies have looked at the relationship between self-care, academic achievement, and social adjustment. In the early 1970s, Woods studied a group of 108 low-income, fifth-grade, black children from Philadelphia.[4] The group was evenly divided between children who reported little or no supervision while their mothers worked and those who had continuous care. Woods's sample contained significantly more unsupervised girls than boys. She found significant differences between the two groups of girls in academic achievement and school relationships. Unsupervised girls showed marked deficits in cognitive functioning, personal and social adjustment, and a more depressed self-concept. Children who reported mature substitute supervision were found to be more self-reliant than those reporting self-care. Woods's study also revealed that among low-income children the mother's attitude towards her work and child care roles and the quality of the mother/child relationship and the substitute care arrangements she made were positively related to the child's scholastic achievement, I.Q., and personality adjustment.

Gold and Andres in 1978 studied 223 ten-year-old Canadian children from intact two-parent families.[5] Fifty-seven percent (N=128) of the mothers in this sample worked. An unusually low percentage (16 percent) of these children were unsupervised. Eighty percent of the unsupervised group were boys. Although the results of this study did not reach significance, Gold and Andres found that unsupervised boys scored consistently lower on all adjustment and academic achievement scores, and these differences held across social classes. Their findings were remarkably similar to those of Woods.

Galambos and Garbarino's 1982 study of a group of fifth- and seventh-grade students in a rural setting found no effects on academic achievement between children by maternal employment or supervision.[6]

In one of the few studies of children who received center-based after-school care, Entwisle found that program children (N=40) improved their grades in reading and arithmetic over a six-month period significantly more than a matched comparison group (N=15) not receiving program services.[7] Boys improved more than girls, although girls tended to receive better grades than boys in both arithmetic and conduct. An unexpected finding was that the improvement of the older boys (grades four to six) was equal to or greater than that of the younger boys (grades one to three). It should be noted that the program was not a tutorial or remedial program, but provided primarily recreational and cultural activities. The gains made by these Baltimore children were considered particularly impressive since disadvantaged children have been found to enter school at lower levels of cognitive development than more advantaged children and to fall further behind over the course of their educational careers.

The Baltimore study also found that program attendance among girls was positively associated with an improved attitude toward school; among boys, toward education in general. Program attendance among older boys was also associated with improved marks in conduct. One explanation offered for the improvement in attitude and conduct among boys was the positive role model provided by male program staff.

The program was also seen to enhance self-esteem among both boys and girls. Older program girls showed significant improvement in their attitudes toward authority, suggesting that children receiving good developmental care would be less likely to engage in delinquent activity. The author notes that although the findings are generally positive, they should be interpreted with caution due to the small sample size and the lack of an adequate comparison group for the older children.

A more recent study of a before- and after-school day care program in a public elementary school in Raleigh, North Carolina, corroborates the Baltimore findings.[8] The program, which provides curriculum enrichment activities as well as cultural and recreational activities, has not only enjoyed positive evaluations by the parents of children who attended the program but has been able to also demonstrate its effectiveness in raising the academic achievement levels of program participants. The average scores on statewide math and reading tests of program participants were found to be significantly higher than those of a matched group of nonparticipating peers over several consecutive academic years, and the gap between these two groups widened over time.

Children's Fears

Children who routinely care for themselves do appear to be more fearful. Zill *et al.* report on a 1977 sample of 2,258 children aged seven to eleven, and 1,748 parents, who were part of the National Survey of Children conducted by Temple University in

1976.[9]* When questioned whether they were worried when they had to stay home without an adult, 32 percent of the boys and 41 percent of the girls replied affirmatively. Fifteen percent of the sample children reported that they worried a lot, and 13 percent indicated that they were frequently scared. Children who were considered heavy television watchers (over four hours on an average weekday) showed higher levels of fear.

Two-thirds of the children were afraid of intruders when they were home alone and over 30 percent of the girls and 20 percent of the boys reported that they were afraid to go outside to play. The majority of children who reported being afraid to play outside had been bothered by other children and adults. More than 40 percent reported being bothered by older children, and 15 percent had been bothered by an adult. Although no significant differences by age were found in the study, differences by sex were noticeable. Fear also appeared to be greater among low-income children, particularly among children of Hispanic origin.

Galambos and Garbarino's 1982 study of fifth- and seventh-grade children in a rural setting found that maternal employment status or supervision had no effect on children's fears of going outdoors alone.[10] The authors suggest that in the relative safety of the rural environment, children are permitted greater freedom, and this, in turn, leads to better adjustment. This finding is supported by Long and Long's study of suburban latchkey children.[11] Elevated fear levels appear less frequent in affluent suburban settings. According to the authors, the perceived safety of the neighborhood may play a role in determining the impact of the latchkey experience.

A 1981 study by Long and Long of eighty-five black parochial school children (grades one to six) in Washington, D.C., equally divided by sex, showed elevated levels of fear among latchkey children as compared with children who received continuous adult supervision while their parent(s) worked.[12]† Fifty-two children in this study were latchkey children;‡ thirty-two children received continuous supervision. The number of children in single-parent households was comparable to national statistics. One out of three children who cared for themselves and one out of five children cared for by siblings expressed high levels of fear. None of the children in adult care were found in this group. Children's self-ratings were confirmed by the interviewers who reported that 38 percent of those home alone were in the high fear group, as compared with 13 percent of those in sibling care. No differences by sex were found.

As was found in the National Survey of Children, the most prevalent fear was of intruders.[13] One-third of self-care children and one-fifth of those in sibling care reported being afraid that someone might break into the house. Recurring nightmares also appeared prevalent among latchkey children. Forty percent of the children who routinely cared for themselves and 26 percent of the sibling group reported being troubled by bad dreams. In contrast, fewer than one in three children with adult supervision expressed even moderate fear and/or indicated that they had frightening dreams, and this occurred for about half of these children only when they were left alone.

Children coped with their fears in several ways: by hiding; by turning the TV on loud to distract themselves, drown out frightening noises, or warn intruders that someone was at home; by calling their parents frequently and/or turning on all the lights. Still others avoided going home and hung around school until late in the day.

Long and Long observed that children develop withdrawal strategies when their fears are not put to rest by adult reassurance. The closeness of the relationship between parents and children appeared to modify the negative aspects of the latchkey experience, but close relationships between siblings do not mitigate negative effects. Former latchkey children varied in their reaction to the stress they had experienced in caring for themselves. Negative reaction to unresolved stress was found to be associated with: age at which self-care began (below age eight); length of time in self-care (five to six hours per day); and too much responsibility at too young an age.[14]

James Garbarino writes that, from a developmental perspective:

> *It is the premature granting of responsibility, particularly when it occurs in a negative emotional climate, that seems to be damaging... thus we know that some kids will thrive on the opportunity of being a latchkey child; others will just manage to cope. Still others will be at risk, and still others will be harmed.*[15]

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* Although the National Survey of Children was not specifically designed to evaluate the effects of child care arrangements of working parents, the study is based on a national probability sample, and the findings are generalizable to the larger school-age population.

† Although the authors did not consider the study sample representative, it was felt to be indicative of the problems faced by all latchkey children.

‡ Twenty-eight percent of the latchkey children also had a sibling between the ages of nine and twelve.

Elkind concurs with these observations.[16] Growing up too quickly—being given responsibility prematurely—can produce undue stress. The child's characteristic response to this stress is anxiety that is not attached to any specific fear. One of the ways in which the child copes is to attempt to overstructure the environment, which, in turn, can lead to lowered academic achievement and an increased chance of social and emotional problems in later life. Elkind observes that in the past growing up too quickly was characteristic of low-income children, who became independent early in single-parent families or in families where both parents worked. The premature granting of responsibility is now common in all social classes.

Restrictions on Outdoor Play and Peer Relationships

Studies indicate that self-care seriously curtails a child's ability to engage in outdoor play and in socializing play with peers. This applies particularly to city children. Several researchers suggest that those children who care for themselves probably suffer some social deficits as a result.

Long and Long report that, in an urban sample, 45 percent of those who cared for themselves and 33 percent in sibling care were not permitted to play outside while their parents were not at home.[17] Boys were treated differently from girls. Thirty percent of the boys in self-care and 50 percent of the girls were restricted to the home. Among children in sibling care, 40 percent of the boys and 30 percent of the girls had to stay inside. Age was clearly a factor. All of the second graders were housebound, compared with 25 percent of the sixth graders. All fifth- and sixth-grade boys were permitted to play outside. Among those children who were permitted outdoor play, the majority were limited to their yards or the immediate neighborhood.

Social contacts with friends in the home were also seriously constrained. Eighty percent of those who were at home alone—and 60 percent of boys and 30 percent of girls in sibling care—were not permitted to have friends visit when their parents were away. Overall, 40 percent of the self-care children in this study were completely isolated—they were neither permitted to play outdoors nor to socialize with friends. Those in sibling care fared only slightly better. One-third were confined indoors with only their siblings for playmates. These figures stand in sharp contrast to the restrictions imposed on children who had adult supervision. Ninety percent of adult-supervised children had unrestricted play and friendships.

The study commissioned in 1982 by the Administration for Children, Youth, and Families (ACYF) of the U.S. Department of Health and Human Services supports the Longs' findings.[18] The study addressed school-age child care practices of a representative sample of families in Virginia and Minnesota. Eighty-nine percent of the families surveyed in Virginia and 96 percent of the Minnesota families had special instructions for the time their school-age children spent without adult supervision. Most frequently mentioned ground rules/restrictions in both states included: not letting anyone in while alone; not having friends in; and not playing outside of the yard or other restricted area.

In view of these findings, it is not surprising that the number one complaint of children in self-care and sibling care is loneliness and boredom. Zill *et al.* found that 7 percent of the children in his sample were lonely a lot of the time.[19] This complaint was particularly prevalent among inner-city black children. Seven percent of the children also reported that they were bored much of the time.

Restricted play and fear are both closely related in these studies to the environment in which the child lives and the level of supervision he or she receives. Children in the city, irrespective of social class, appear to experience the most restricted play and the greatest levels of fear. (The negative aspects of an urban environment, in terms of both play and fear, appear to be mitigated to a large extent by consistent adult supervision.) In contrast, children in self-care in the suburbs experience much more relaxed restrictions,[20] and those in rural settings appear to be even more unrestricted.[21]

Ruderman, writing about these house-bound children in 1968, observed:

> *. . . he is locked in, instructed not to go out or open the door. These precautions in themselves suggest a dangerous environment and may have the effect of intensifying the child's sense of aloneness or fearfulness in an overwhelming, threatening world.*[22]

Risks

Children in self-care appear to be at risk from a variety of sources. Long and Long report that among former latchkey children more than half recall having to deal with a serious emergency while they were unattended.[23] The average age when they began self-care was nine. Garbarino observed that unsupervised children are more likely to be victims of accidents, which are a leading cause of death among children.[24] In 1981, *U.S. News and World Report* stated that one in six calls received by the Newark, New Jersey, fire department involved a child or children alone in the household.[25] Poison control centers report a similar pattern.

The most frequently mentioned concern of parents with children in self- or sibling care in the ACYF study was fear of accidents.[26] In Virginia, over one-third (37 percent) of parents responding worried about accidents; 9 percent also reported accidents as a problem. Almost twice as many Minnesota families (63 percent) reported similar concerns, while the children of 8 percent of the parents had experienced accidents.

Children in the care of siblings frequently complain of excessive fighting and arguing.[27] Zill *et al.* reported that 40 percent of his sample had been bothered by older children and 13 percent by adults.[28] One-third of these children were threatened by beatings; 13 percent were actually beaten. Rural children in this study appeared to fare somewhat better than urban children, but few differences were found between urban and suburban environments. Differences were noted, however, among care arrangements. Five percent of the children in this study could play outside only if an adult was watching; this was true for 15 percent of the black children.

Finkelhor's study of sexual victimization cites many examples among unsupervised children.[29] It is difficult to know how many children are abused by siblings and how many by adults, since both are categorized by the U.S. Department of Health and Human Services as mother substitutes. A 1981 DHHS report of children abused by mother substitutes estimates that 46 percent are exposed to sexual abuse, 72 percent to physical abuse, and 90 percent to other maltreatment.[30]

The kinds and quantities of risks faced by children in self-care remains largely unknown. Garbarino suggests that several risks are involved. Children routinely left in self-care will, according to Garbarino:

> *feel badly (e.g., rejected and alienated);*
> *act badly (e.g., delinquency and vandalism);*
> *develop badly (e.g., academic failure);*
> *and be treated badly (e.g., accidents and sexual victimization).*[31]

The *1981 FBI Uniform Crime Reports for the United States* reported that more than twenty-five thousand children *under the age of ten* were arrested for participation in serious crimes, including theft, vandalism, and crimes of violence.[32] Reports such as these do not document the relationship between the incidence of juvenile arrests and a lack of supervision, but it is hard to deny the logic of such a relationship.

Discussion

Large and increasing numbers of children are being left alone while their parents work. Whether the lack of continuous supervision creates a problem is a question to which research has not provided a definitive answer. However, a growing body of evidence appears to indicate that unsupervised school-aged children are at risk to a greater or lesser extent, depending on their care arrangements and the context in which these arrangements exist.[33]

The research findings appear to support the idea that self-care for the most vulnerable children (low-income, minority, urban) has negative effects on adjustment, school achievement, and self-image. In addition to loneliness and boredom, many children experience fear, and some appear to be at risk for accidents and abuse by other children and adults. At best, many of these latchkey children experience severely constrained play and social experiences during the time they are out of school. Safe neighborhoods and close relationships with parents may mitigate some of the negative effects of self-care.

Given the increasing numbers of children who care for themselves, more sophisticated research is needed to determine the full impact of self-care on children.

4 THE SPECIAL ROLE OF THE PUBLIC SCHOOL

> *. . . public schools are now being forced to reexamine their role as service providers for America's children and families. All over the country, public schools are struggling to compete with a new wave of private education that is significantly reducing the size of the public school population and changing its nature. I am fascinated that these new private schools have adopted the concept of the extended day as a major thrust of their competition with the public schools. If public schools do not respond to this type of competing service pressure, they will undoubtedly lose more and more of the middle class children they are hoping to keep in the public schools.*
> (From "Day Care and the Schools" by Bettye M. Caldwell in *Theory Into Practice*.)

Caldwell's warning has not gone unheard. In fact, public schools *are* responding to the rising economic and environmental pressures that are being forced upon them—lower birth rates, families' geographic mobility, attrition to private schools, severe funding cuts, increased public disaffection with the quality of public education, and the changing needs of children and their families. For many schools, one response has been to facilitate the development of before- and after-school child care for school-age children.

More than half of the 171 school-age child care programs the School-Age Child Care Project interviewed across the country in 1979 had some type of affiliation with the public schools, or in a few cases, were operated by the public schools. No additional national data exists as to the extent of school involvement in the provision of before- and/or after-school child care. However, our technical assistance activities indicate that public school interest in school-age child care is increasing. From 1980 through 1982, several hundred written and telephone requests for information and/or technical assistance were received from public school administrators and elected school officials. And many articles on school-age child care have appeared in education magazines and journals.[1]

How Schools Are Involved

Options for public school involvement in SACC range along a continuum, from schools willing to transport children to a community-based center, to others that have implemented written policies welcoming school-based community partnerships, to schools that want to administer the program themselves. In general, school-based programs are either "partnerships" between the schools and another organization or administered by the schools. Both types of programs usually charge a fee to parents and may also seek financial support from government for low-income children.

Descriptions of both types of administrative structures are included in Appendix A.

What Are the Positive Arguments for School Involvement?

- Providing school-age child care helps build parent support for the school, especially from single-parent and two-parent working families who view SACC as a vital community service. Dr. Lawrence Cuban, former Superintendent of Arlington, Virginia, public schools put it this way: "Extended Day eases the anxiety of parents, the hostility parents may feel if schools won't care before and after school. If schools move in that direction, it's better for families and for kids and is therefore better for the schools."[2]
- SACC can help to maintain or increase enrollments by attracting or retaining families in the public school system. Superintendents of the public schools in Brookline, Massachusetts, and Arlington, Virginia, have both gone on record crediting their extended day programs for maintaining levels of elementary school enrollments.[3],[4]
- The use of empty classrooms and gymnasiums represents an effective use of public resources at a time of declining enrollments. School policy varies with respect to rental fees for partnership programs. In Fairfax County, Virginia, for example, the board of education offers rent-free space to the county's school-age programs administered by the Office for Children. In Montgomery County, Maryland, on the other hand, rent is charged to the program. The program's use of otherwise surplus space in currently operating schools is viewed as an effective use of space, while at the same time a means for the school system to recoup lost revenue.
- SACC may help to decrease vandalism and delinquency by reducing the number of children "hanging around" during after-school hours. As cited in a 1981 article of *U.S. News and World Report*, vandalism at three Portland, Oregon, schools fell from twelve thousand dollars in damages in one year to two hundred dollars the next year. This was attributed to the presence of after-school programs.[5]
- SACC may help with desegregation efforts as a formal or informal magnet service. In some cases, SACC may eliminate busing for desegregation entirely. The principal of a court-ordered Nashville, Tennessee, school in which enrollment had been declining reported that since their day care program began in 1977, enrollment has increased from 300 to 480 students. "By request, 100 middle-class white children asked for redistricting to this school because of the programs."[6]

What Are the Problems with Public School Involvement?

No matter who administers the program, problems with public school involvement in SACC do surface. These problems fall into three categories: 1) resistant attitudes; 2) problems of operation; and 3) the absence or inadequacy of school policy.

Resistant Attitudes

> *The school is not a social agency—our business is reading, writing, and arithmetic....*
> *The family should take care of its own, not pay for day care or have governments pay for it.*[7]

- Ambiguity about the limits of the school's responsibility to the child and the child's family deters public school involvement in SACC. Is day care consistent with the school's mandate or should the schools stick to "reading, writing, and arithmetic"? This question often brings about vigorous philosophical debate because, as national day care expert Bettye Caldwell writes, there exists "a lack of conceptual clarity about what day care is and what it should provide children."[8] No consensus exists on the educational nature of day care or the custodial function in schooling. Virginia's and Oregon's attorneys general, for example, view day care as "essentially custodial in nature" and therefore separate and unrelated to education.
- Resistance to SACC from school personnel and taxpayers is often based on fears of "increased responsibility" or "rising taxes." But in some cases, the underlying causes may be based on general opposition to offering social services, particularly to working mothers.

Problems of Operation

- School principals, board members, and officials are concerned about the absence of clear guidelines for the accountability and liability of the school-based SACC program. School personnel need to be assured that the schools will not be held legally responsible in case a child or staff member is hurt while attending the program.

- School administrators and staff are often concerned about the impact of SACC on the day-to-day operation of the school. Schools that host partner programs may face objections from classroom teachers or other school personnel concerning the use of shared space (cafeteria, gym, artrooms, and classrooms); extra work for the custodian, secretary, or principal, who is often the arbitrator between the program and school personnel; and inconsistent rules and practices between the school and the program.

The Absence or Inadequacy of School Policy

- Guidelines and procedures for the development of school policy regarding SACC are often lacking or unclear. For example: How do schools determine which outside groups may use their space? What sort of in-kind or direct contribution will the schools make to the program? What responsibilities, financial or otherwise, will the partner group need to assume? What are the legal considerations that must be addressed?
- Absence of state or local policy regarding the use of the public schools for other than mandated purposes may leave the schools vulnerable to attack. Sources of criticism are: citizens who are alarmed by rising school taxes and generally opposed to any outside use of public schools; public and private groups who are competing for the same use of school space; and proprietary day care owners who are concerned about what they see as unfair competition. The absence of written policies has contributed to the ambiguous nature of SACC and has allowed for litigation against the schools in Alabama and Arkansas. In Florida, private child care centers have considered litigation against public school boards that operate SACC programs because the use of tax-supported school space has been perceived as an unfair competitive advantage.

In Arizona, opposition to public school involvement has resulted in legislative proposals which, if they had been passed, would prohibit the schools from participating in any way in day care programs—either as a partner or as sole administrator, except in the case of summertime, community school programming for recreational purposes. The legislation has been attempted, in various forms, by both the Arizona House and Senate legislatures. At the time of this writing, the proposals have not been enacted.

In Alabama, similar opposition from the private sector resulted in a lawsuit filed against the County Board of Education, arguing that the board lacked the statutory authority to operate day care programs. In this case (Clark *et al. vs.* Jefferson County Board of Education, Judgment, April 1982) the court reached the conclusion that the board did have the authority to operate the programs:

> *The statutory provisions which govern and control the policies and practices of the Board of Education which would best serve the needs of the community and of the school system are very broad in their provisions and the discretion accorded to the Defendant in the implementation of these statutes are not subject to review unless there appears a clear showing of abuse or invalidity.*
> *This Court finds that the activities which are alleged in the Bill of Complaint as a basis for the relief stated are within the scope of the broad powers granted to county boards of education.**

The Alabama decision represents a legal precedent at the circuit court level in favor of the schools. But litigation is time consuming and costly. A legislative approach may offer greater protection for the public schools. State enabling legislation would permit the schools to operate fee-based SACC programs, whether or not the fees covered the entire cost of the program. The legislation would also include language that would permit schools to lease space to outside organizations.* (See Appendix D for Model Enabling Statute.)

Solutions: Policy and Operation

Policy decisions on public school involvement in school-age child care can be formulated at three major levels. The first level involves federal or state legislative initiatives; the second involves policy statements from major national or state professional and educational associations; the third involves district or local school board initiatives. The effect policies can have on the development of SACC can range from merely symbolic encouragement to the actual provision of start-up grants or financial subsidy. Here are some highlights of several solutions that have been spearheaded by state and local government or the private sector.

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* *A Manual for Public School Administrators: Legal Considerations for the Implementation of School-Age Child Care* is a forthcoming publication by Abby Cohen, of the San Francisco, Cal., Child Care Law Center. The manual is a collaboration of the School-Age Child Care Project and the Child Care Law Center. It will be published in 1984.

Legislative Initiatives

Massachusetts, Oregon, and Connecticut have enacted legislation that has directly or indirectly supported the use of schools for child care. In Massachusetts, for example, Chapter 496 of the *Acts of 1981*, "An Act Further Regulating the Leasing of Certain School Property," although not specifically mentioning child care, states that:

> *a city or town, with the approval of the school committee, may rent or lease surplus space in a school building in actual use to simultaneously house public or private, profit-making businesses or nonprofit organizations; provided, however, that such occupancy shall not interfere with educational programs being conducted in said building. The monies received from such rental or lease shall be kept separate and apart from other city or town funds in the city or town treasury by the treasurer.*[10]

At the time of this writing, further enabling legislation is expected to reach the Massachusetts legislature during its fall session in 1983. Senate Bill S.306, entitled "An Act to Promote and Provide After School Care for Children,"[11] is fashioned after Oregon's 1981 bill which gives school districts the authority to run or contract for before- and after-school activities.[12]

In Connecticut, enabling legislation states:

> *(a) Any local or regional board of education may provide for the use of any room, hall, schoolhouse, school grounds or other school facility within its jurisdiction for non-profit educational or community purposes whether or not school is in session.*[13]

These state legislative initiatives are designed to suggest only that schools share their existing resources. Should they wish to, local school districts may develop their own guidelines and policies, subject to local review.

Initiatives by Professional and Educational Associations

Policy statements and recommendations by national or state associations can support and stimulate work at the local level. The National School Boards Association issued a policy statement on the question of appropriate school involvement in community and social services. A Task Force on Local Responsibility for Children was convened in 1978 to "study existing cooperative school/community child-service delivery systems and to propose policies for both NSBA and its state associations." The task force developed the following recommendation:

> ***Boards of Education should adopt policies that enable professional staff to work with other community professionals in planning services for children. . . . Local school boards should consider allowing professional community agencies, such as mental health or general medical, to utilize unused space within their facilities to provide school-house services for students.***[14]

The NSBA policy statement also states: "when services at the neighborhood level are increased and improved, the school in that neighborhood will begin to exhibit good side effects."[15]

The National Association for Elementary School Principals and the Kettering Foundation's Institute for the Development of Educational Activities (I/D/E/A) cosponsored, in 1979, a three-year longitudinal study which looked at the school needs of children from one-parent families. Although the subject of the study focused on this specific population, the phenomenon of the one-parent family is so widespread that its implications for all schools is simply too great to be ignored. It is not our purpose to dwell on the specific details of the study, although the overall conclusion indicated that "these children are at risk and that some of them may need extra help at school." However, it does seem relevant to mention one of the recommendations that was drawn from the research:

> *For the working single parent (and most fall into that category), the very mechanics of child care can become a logistical nightmare. Many school systems are already offering extended day programs of before and after school activities that give children a structured, productive, and familiar place to go when there is no one at home to look after them. Schools should also consider providing child-care facilities during school functions and parent-teacher conferences.*[16]

At the state level, the Virginia Women Attorneys' Association included in their legislative agenda for 1982-1983 the following legislative proposal:

> *4. Provide funding for the implementation of extended child care in our public school buildings to serve the needs of families who*

> *otherwise have no access to after-school child care and through necessity leave their small children at home unattended.*[17]

Attached to the agenda is a position paper which recommends that: "Extended childcare programs should be created using school buildings with the guidance and cooperation of parents and the community. Programs could be operated by nonprofit parent groups, community organizations, city agencies, or the school district, and paid for by a combination of parents fees and state or local funds. For example, the Block Grant funding mechanism gives areas a funding source to look to for such programs."[18]

Local School Initiatives

Local policies concerning the use of school space for child care have been implemented in a number of communities. In each case, the problems and solutions to those problems are often quite different, although the reasons for developing written policy guidelines are usually the same—to anticipate legal gray areas or territorial problems. The following are a few examples of local policy action:

- In Montgomery County, Maryland, declining enrollments[8] and school closings prompted the school board to recover some lost revenue for the school system. The Joint Occupancy Program has allowed the schools to lease surplus school space, in operating facilities, to qualified users. Priority is given to educational programs, both public and private, in which day care is included. The rent is based on the licensed capacity of the program. All programs are required to purchase adequate liability coverage and to agree upon clear guidelines that save the board of education and the school system "from any and all claims, demands, suits, or other forms of liability that may arise out of the use of school space."[19]
- In Boulder, Colorado, the Board of Education set a broad policy direction for the use of school buildings as child care centers:

> *The Board of Education authorizes the use of public school buildings before and/or after school for child care programs for school-age children when the building is not in use for the regular school programs. All authorized programs will be self-supporting. Any costs incurred by the school district directly related to a child care program will be charged to the program, including but not limited to custodial services and utility costs.*
>
> *The local school is expressly prohibited from assuming responsibility as the sponsoring agency unless specific authorization is first obtained from the Board of Education.*[20]

- The Metropolitan Board of Education in Davidson County, Tennessee, published the pamphlet, *So—You Want to Use Our Schools for Your Day Care Program? Here's How*.... The pamphlet encourages greater community use of the schools and spells out the procedures for obtaining school system approval.[21]
- Lincoln, Massachusetts, a small suburban community which has housed a SACC program in its public schools since 1981, developed *Guidelines for Use of School Facilities by Non-Profit Child Care Programs*. Upon the approval of the school committee, the guidelines stipulate that "these guidelines shall apply to those groups whose primary purpose is to provide services for children and who use space in the Lincoln Public Schools on a regular, daily basis." The formal agreement between the schools and the partner group requires that the child care program be self-supporting. In return, the schools contribute custodial coverage until 6:00 p.m. and electricity and heat for the "home-base" room when school is regularly in session. The program is charged for custodial services during snow days, vacation weeks, and holidays.[22]

What Are the Implications for the Future?

Public school involvement in school-age child care is still at the threshold of wider policy implications; many questions are still left to be answered. For example:

- What are the tradeoffs of the various administrative options (partnership or school-run)? Is it better for the program to be "part of the system" or to maintain administrative, fiscal, and programmatic autonomy?
- How do schools assess the actual financial impact of SACC on the school system, particularly when school buildings are being used by others (teachers, staff, and community) during most of the hours SACC is in session anyway? Do these costs really represent a significant part of the school's operating budget...or do the benefits of hosting a SACC program (increased enrollment, improved public image, etc.) outweigh the minimal financial expense the schools would have to incur?
- Will school systems view the implementation of school-age child care programs as one way to increase general revenues, without first assessing

the financial implications for the quality of the programs (staff/child ratios, staff salaries, programmatic resources) and whether low-income families can afford the program?

- Is it the school's responsibility to offer child care to children with disabilities, who may require specialized services and staff? If a child's individual education plan (IEP) were to indicate a need for socialization and opportunities to interact with other, nonhandicapped children, would a SACC program fulfill that requirement? If so, are the day care costs to be assumed by the public school? If the program is run by a private, not-for-profit agency that uses public school space, who pays?
- Will school administrators and policymakers consider carefully the implications of decisions to implement before- and after-school programs, particularly programs which emphasize academic learning which may be inconsistent with what some parents and children want from school-age child care programs—safe and reliable child care and informal learning, in enriching environments where social and emotional growth are stressed? If academic preparedness *is* to be one function of school-run programs, will such programs *only* be offered to children in need of child care?

Will the recent movement towards full-day kindergarten be interpreted by parents as a form of child care even though school hours do not conform to parents' full-time work schedules?

Although many questions regarding the public schools' involvement in school-age child care remain unanswered, the positive effects experienced by schools that have been involved in SACC should encourage policymakers at all levels to carefully examine further expansion of this resource.

7 WHAT CAN POLICYMAKERS DO?

This *Policy Report* emphasizes state and local policy action. Local action, we have observed, can respond immediately to community needs. Furthermore, local efforts have become more significant in view of cuts in federal and state social service funding. The experience of local planning groups has shown that collaboration between interested individuals and groups representing government, industry, and social services does work, and often results in positive benefits. However, these local and state initiatives can only go so far. There *is* a role to be played by the federal government as well. This includes increasing direct support for low-income families so they can afford school-age care and providing funds to community programs now laboring under increasing financial constraints. Federal and regional government can act as facilitators, bringing together agencies, institutions, and organizations that have a stake in improving school-age child care. No one government agency or program need be singly responsible. Instead, support can and should reflect the full range of human services: child development, education, manpower, community services, health, and so on. *School-age child care should be regarded as a preventive service which may well be an investment against future problems requiring even greater government intervention and expenditures.*

The Range of Options

A 1982 publication of The Council of State Governments reports that: "State involvement in the extended school day care issue has been along a continuum ranging from peripheral interest to major funding. The level of involvement often reflects the amount of political pressure brought to bear by parents, education officials, and other interest groups."[1] The same statement could also apply to the involvement of localities.

Working together with child advocacy groups and concerned citizens, state and local policymakers have facilitated the development of new SACC programs and insured the continuation of existing programs. Here are some examples:

- Local legislators supported a change in local zoning laws in one community to accommodate the provision of school-age child care by churches which, because of their location in residential zones, would have had to seek a different (and therefore less desirable) zoning status (Fort Worth, Texas area).
- A mayor helped to find a stable administrative base for a program which would have folded without help (Northampton, Massachusetts).
- A state Governor's Office of Children and Youth conducted a statewide survey of parents and children to determine how best to provide school-age child care services (Hawaii).
- Corporate executives in a large city joined together with an advocacy group to form a task force on school-age child care and created a fund which helps subsidize—and develop—school-age child care programs in the city's public schools (Houston, Texas).

The policy strategies described here are not "pie-in-the-sky" solutions with little basis in reality. These examples have been selected precisely because they are replicable by others who may adapt them to meet the needs in their own communities and states. In every case, these solutions are practical responses to dilemmas fairly common in the field of school-age child care as it attempts to become a highly visible—and viable—service.

Recommendations

Policy action in school-age child care should concentrate on:

- learning about parents' demand for school-age child care,
- increasing the supply of services, and remediating or initiating policies in order to reduce barriers to development and delivery,
- expanding financial support so that more low-income families can use services, and
- supporting or conducting research on the short- and long-term effects of school-age child care on children's development and on the effects on young children of prolonged periods of self-care.

Learning about parents' demand for school-age child care

- Initiate studies on need and demand. Surveys could be conducted by the *local or state* education agency or by other governmental agencies (health, city planning, human services). These efforts can be assisted by community action groups and agencies (Junior League, League of Women Voters, business associations, child care resource and referral agencies, community foundations and funding agencies). Employers can include need for SACC in surveys of employees' child care needs. At all government levels, studies could be conducted on special populations of children—children with special needs, children in rural poverty settings, migrant workers' children, and others. *State and local policy should be developed to address the right to equal access to school-age child care programs and services by children with special needs.* (See References for *Child Care Needs of Exceptional Children*, a report of California's Child Development Advisory Committee, from which this recommendation is derived.)
- Initiate or support child care information and referral agencies to gather data on parents' preferences and demand for school-age services, and to link parents and providers at the local level.
- Study the existing supply to determine the extent and capacity of existing services, gaps in geographic distribution, and populations served.
- At the national, state, and local levels, mount a public education media campaign on the risks to young children of having no supervision, and the solutions that are available.

Increasing the supply and remediating barriers to development

- Explore options for collaboration between public and private sectors; for example, relationships between provider agencies, parent groups, and public schools and municipal recreation departments and housing authorities.
- Research state and local statutes and other policy mechanisms which may impede the development of SACC services, and improve or create more supportive policies (for example, building and zoning codes, state education policy on the use of public schools for day care). (See Appendix D for model state enabling legislation.)
- Research existing state day care regulations for applicability and appropriateness to school-age child care, with regard to programs, family day care, and group day care homes. Regulatory bodies in the state should communicate, in order to increase coordination among the various agencies and departments. (See Appendix C for chart of states' school-age child care licensing practices.)
- Explore options for staff training by community colleges, universities, and other training centers.

Expanding use by low-income families

- Increase spending for school-age child care under the human services block grant (formerly Title XX of the Social Security Act); advocate for increased attention to school-age child care at the state level through the HSBG allocations process; raise reimbursement rates for family day care providers to encourage them to serve school-age children; expand the qualifications for sliding fees to include parents with marginal incomes.
- Advocate for state child care tax credits and for refundability provisions at federal and state levels.
- Support reforms in IRS policy that will grant tax-exempt status to child care programs under the

general category of providing child care to working parents and that will provide general access to their services.

- Encourage interest of and seek support from employers on the issue of school-age child care for employees' children. Encourage employers to participate in funding community programs and services. (See Resources for references to Houston, Texas, Institute for Families; Orlando, Florida, 4-C's employee assurance plan; and the Corporate Child Development Fund for Texas.)
- Initiate or support legislative innovations in: state-guaranteed loans for start-up and expansion of child care facilities; tax incentives for employer-supported child care; and incentive grants to stimulate community-based initiatives in school-age child care. (See Appendix D for summary of House Bill 1531, "The School Facilities Child Care Act".)

Develop a research agenda to examine

- The effects, both short- and long-term, on young children of prolonged periods of self-care in terms of emotional effects and serious risks (for example, injuries and deaths due to fire, accident, crime).
- The effects on young children of various organized school-age child care services, using such measures as self-esteem, school performance, peer relationships.
- The cost-effectiveness of school-age services as a preventive measure to reduce the later costs associated with adolescent crime, adolescent pregnancy, and school failure.

Conclusion

While some states and localities have taken impressive strides towards improving and expanding school-age child care, policymakers at every level need to expand their efforts if we are to assure that each child who needs school-age child care will have it. Individuals and groups must collaborate to solve the policy problems that may be impediments to the growth and affordability of school-age child care. We must reach beyond the established boundaries between disciplines, ideologies, and institutions in order to accomplish this goal, and to create safe and enriching alternatives for our children.

PREPARED STATEMENT OF JEROME KAGAN, PROFESSOR OF PSYCHOLOGY, HARVARD UNIVERSITY, CAMBRIDGE, MA

There are several issues that must be addressed in any discussion of the effect of day care on American children. The first has to do with the most desirable profile of mental, emotional, and behavioral traits that America's children should have during the next decade. Although it is not possible to predict this profile with exactness, I believe that academic competence, a technical skill, autonomy, capacity to live and work alone from one's family and friends of rearing, and access to one's emotions will be adaptive traits when today's young children become tomorrow's young adults. If this assumption is treated as valid, then one can ask about the effect of day care on children.

I believe that if the day care is adequate, and I will define adequate in a moment, the existing evidence seems to indicate that day care is neither helpful nor harmful to most American children. By adequate, I mean no more than three infants to one caretaker in the first two years of life and no more than eight children, two to five years of age, to one caretaker during the years before school entrance. Additionally, the staff of the day care should share the values of the parents and hold favorable attitudes toward the profile of psychological qualities named above. Under these conditions, the majority of children seem relatively unaffected by day care. However, for children who come from broken families or homes that generate anxiety, and for children who are extremely fearful and timid due to temperamental factors -- about 10 percent of American children fall in this category -- day care can be more harmful than home rearing. On the other hand, for some children living in very disorganized families, the day care experience can be beneficial. It goes without saying that inadequate day care is harmful for all children.

It is important to appreciate that there is no generally effective day care for all children. Parents must realize that whether day care will be helpful or not depends upon their own values and their children's temperament and abilities. This is the most important generalization emerging from the research on day care.

In my opinion, American mothers prefer to hire someone to take care of their child, either in their own home or in another's home, rather than put their child in day care. They choose the former because they are reluctant to give up the contro of their child's care to another person. In a day care center they do not have the power to change the assignment of staff to their child. However, if they are the client hiring care for their young child they retain this power. For this reason, most American mothers will continue to prefer to contract for individual care, rather than enroll their child in a day care center. It should be noted that although there has been some research evaluating the effect of group care, there has been relatively little research evaluating the effect of surrogate care when it involves one caretaker and one child, the most popular form of care in the United States today

Because the existing scientific information on the effect of group care is not complete enough to permit firm statements about what characteristics of day care centers influence aspects of psychological development, recommendations must come from extensive experience with group care and wise guesses. It is believed that most recommendations are subject to the distortion of prejudices and, therefore, all are to be interpreted with caution. Consensus among experts is probably the best safeguard against invalid conclusions until better information is available.

The characteristics of day care that could be regulated objectively by a governmental agency, like years of education of the staff members or number of toilet facilities in the center, are not likely to be of crucial importance. The attributes of caretakers that are of greater importance include a fondness for children, prior experience in raising children, some knowledge of child development, and a tolerance of the needs of others. These qualities are not easily measured and, therefore, cannot be monitored effectively. Perhaps the best monitor of the quality of day care is the family itself; the parents of a child in day care should be able to effect changes in the institution when they feel their child is developing anomalously. Government agencies could monitor day care centers by supporting inspection teams that would evaluate the children and staff of particular centers to determine if the development of the children was within normal limits. Although it is difficult to establish what a governmental agency's role should be in regulatin the quality of care, the attributes that can and should be regulated include the following: ratio of staff to children, space, age of admission, and characteristics of personnel.

There are three major risks associated with group day care for infants. The first concerns physical health. Colds and mild infections are more frequent in the group care setting than they are in the home because of the constant contact with children who are temporarily ill. A second risk associated with day care is that the child who is temperamentally quiet and withdrawn can become excessively isolated in a group care center where staff members are busy. The quiet, apathetic child who bothers no one can easily be forgotten. A third risk concerns the course of cognitive development. Because language competence is one of the most important skills of our society, day care planners should encourage a one-to-one interaction between staff and the young child so that language development is enhanced. Day care environments that restrict the young child to cribs or playpens prevent the toddler from practicing maturing competences and retard the development of problem-solving skills.

Finally, it is believed that it is probably unwise to admit an infant to a day care center before four weeks of age. During the opening month of life the home environment may provide better protection against contagious infection and it seems reasonable to assume that the mother would want to be with the very young infant during the early part of the postnatal adjustment. Second, some investigators have reported that from seven to eighteen months of age the child is especially vulnerable to being seperated from the familiarity of the home. Because infants enter a new stage of cognitive functioning around seven to eight months of age, when they become vulnerable to fear following an exposure to unfamiliar events or people, it is suggested that mothers who wish to enroll their infants in day care be encouraged to do so when the child is between one and seven months or older than eighteen months of age.

Finally, I believe that although the existing research on day care does not indicate that all day care is harmful to children, it does not follow that surrogate care is good for children. Parents differ in the goals they have for their infants and the pleasure they derive from raising them. These considerations are as relevant in determining a stance toward day care as the existing empirical facts.

PREPARED STATEMENT OF KRISTIN ANDERSON, PROJECT DIRECTOR, WORKING PARENTS PROJECT, THE CENTER FOR PUBLIC ADVOCACY RESEARCH

The Center for Public Advocacy Research is a nonprofit research organization that identifies important public policy issues relevant to children, youth and women, conducts research as a basis for informed action and advocates for sound policy development on their behalf in New York City and State. For three years the Center has operated the Working Parents Project which has produced two research reports especially relevant to the considerations of this Committee:

CORPORATE INITIATIVES FOR WORKING PARENTS IN NEW YORK CITY: A TEN INDUSTRY REVIEW, by Kristin Anderson. This study interviewed 80 companies representative of the range of businesses in New York City and examined the barriers and incentives that employers cite when asked about providing assistance to working parents. The study makes thirteen recommendations to encourage more experimentation and information sharing in the area of corporate assistance to working parents in New York City.

GOVERNMENT INITIATIVES TO ENCOURAGE EMPLOYER-SUPPORTED CHILD CARE: THE STATE AND LOCAL PERSPECTIVE, by Dana Friedman. This report surveyed the 50 states and 100 major city governments to examine the ways in which they were encouraging employers to become involved in the provision of family supports. The report identified four major roles: educator, broker, facilitator and model employer through which government can attempt to influence business to become more involved in dependent care. The report makes fifteen recommendations for New York City and State.

For two years the Working Parents Project has worked with organizations and government agencies to implement the recommendations of these two reports and develop more employer commitment to working parents. The major vehicle for the Center's information program for corporations is BusinessLink, The Report of Management Initiatives for Working Parents. This publication is sent without charge to the Vice-President for Human Relations or the Personnel Director of companies in the New York metropolitan area to bring to their attention the activities of other companies and the benefits they derive from their programs to provide dependent care assistance.

Through this and other activities including conferences and small group meetings, the Center has developed a perspective on the realities of business interest in helping working parents, knowledge of the most effective ways in which governments can support these interests, and an understanding of the gaps in the system that continue to deprive children and working parents of the support they need.

The Center recently has inaugurated a new program to utilize our expertise, contacts, and research capability to support the development of New York State child day care policy. The objective of this work will be to produce research reports and studies of major policy-related issues of child day care in New York State that assist in the on-going process of planning, funding and improving day care services throughout the state.

Therefore, based on our understanding of corporate trends, current demographic trends, and the capacities and roles of the city, state and federal government, we recommend that the Select Committee on Children and Youth consider six major activities:

1. Define a national dependent care policy that acknowledges the national need for quality child day care programs that protect the best interests of children and provide working parents with the support they need to be productive workers.

2. Publicly acknowledge that the United States government must spend more money to support child and dependent care. The Committee could publicly state to Congress and the American people that the key issue at this time is not whether there is need, but how to determine what is a reasonable and efficient amount of money to spend now and over time.

3. Seriously examine the equity and efficiency of the current tax-based system of providing families with extra funds for dependent care. This process would include an analysis of the feasibility of making the child care tax credit refundable, putting a cap on the use of Dependent Care Assistance Plans based on salary reduction and considering family allowance for families with incomes under $75,000/year. Each of these mechanisms would target more funds to middle and lower-income families who need assistance the most. The Committee could also consider new ways to use the tax system to create incentives for child care providers (i.e. credits for more training or deductions for family day care providers).

4. Endorse the need for increasing direct subsidies by expanding the existing funding mechanisms -- principally the Human Service Block Grants -- and establishing a national subsidy formula to be applied state-by-state, with state and local matches.

5. Encourage business participation in the dependent care system by encouraging companies to support their local resource and referral networks and to provide more extensive paid maternity and paternity leaves for their own employees.

6. Provide funds for demonstration programs in after-school care to school systems, labor unions, and non-government organizations, to develop new models of after-school and sick child programs in different parts of the country and in urban, suburban and rural settings.

There are obviously additional issues and activities that the Committee will address, but in our estimation these six are significant, threshold activities that will have positive implications for American parents, employers, and most importantly, the nation's children.

The remainder of this paper examines each of these activities in more depth.

1. **Define a national dependent care policy that acknowledges the need for programs that protect the best interests of children and provide working parents with the support they need to be productive workers.**

The United States does not have a clearly articulated national dependent care policy. This works to the disadvantage of children who are deprived of educational and enriching environments in their formative years and it works to the disadvantage of society because the lack of easily available, affordable dependent care does not promote a productive and efficient workforce.

Every major industrialized nation except the U.S. has acknowledged children's and worker's need for dependent care assistance by determining national family policies, by developing ways to subsidize parental leaves and by instituting systems of wholly or partially subsidized day care for children and the elderly.

A U.S. policy must acknowledge the fact that there has been a drastic shift in the number of families with either children under six, handicapped dependents, or elderly parents who need to find day care for them in order to work. Parents can neither afford to stay home to deliver care themselves nor can they earn enough to pay for quality care if they work. It is no longer a question of "either or" -- either mother stays home with the children or she goes to work -- yet in the absence of a policy based on present-day realities, the commitment to spend more federal money on child care becomes burdened by "either...or" myths.

Finally, developing a national dependent care policy will need to incorporate diverse local needs and can only be developed in cooperation with organizations and agencies working at local, county, state and national levels. The Committee can begin this process by articulating a policy that is then the subject of further debate, discussion and refinement by other bodies before being adopted.

2. **Publicly acknowledge that the United States government must spend more money to support child and dependent care.**

We are beginning to feel the negative effects of having ignored families' needs for child day care for such a long time. Workers are becoming more insistent in their demands for assistance in this critical issue of concern to them; problems of the child care industry resulting from poor training, credentialing and monitoring are shaking parent's confidence in the few alternatives that are available, and the developmental and social problems of latch-key children are becoming more evident.

The problem with child day care is that there is no way that the people who need it can purchase it at the price it costs to provide. In the U.S. today, most dependent care is subsidized directly by the government, indirectly by the providers or workers, or purchased at below market prices from providers outside the system. Child day care of reliable quality is expensive to provide — it cannot be provided in inadequate spaces, without certified professional staff, or without a low ratio of providers to children. Therefore, there is a minimum cost below which child care of good quality cannot be provided. This "threshold" is approximately $75-$90 per week per child or $3900 to $4680 per year depending on the region of the country. This means that subsidized child care must extend into at least part of the middle-class, it cannot be simply a program for the "poorest of the poor." Once the federal government acknowledges these facts, it will be easier to find the most efficient ways of subsidizing the very diverse and decentralized options that are needed at the local level.

Also, once the U.S. has an articulated policy based on the well-being of both children and workers, and a commitment to spend more money in this area, the programmatic options will be easier to assess.

3. **Seriously examine the equity and efficiency of the curent tax-based system of providing families with extra funds for dependent care. Consider making the child care tax credit refundable, putting a cap on the use of Dependent Care Assistance Plans based on salary reduction, and the feasibility of a family allowance for families with incomes under $75,000/year. Each of these mechanisms would target more funds to middle and lower-income families who need assistance the most.**

The Select Committee is familiar with the arguments for making the child care tax credit refundable. The problem seems to be political rather than logical so the efficacy of the suggestion is doubtful; nevertheless, it is the only way in which the current credit will help the majority of low-income families. The fact that only 6% of the total tax credit dollars go to families earning under $10,000 is a powerful argument for revising this system of providing child care assistance.

The major arguments for putting a cap on the use of Dependent Care Assistance Plans based on salary reduction are contained in the attached paper, "The Inequities of Salary Reduction as National Child Care Policy: Where Do We Go From Here?" by Ronald Soloway. This paper demonstrates that salary reduction is of little benefit to taxpayers below $16,000 because they receive equal or better value by using the child care tax credit, yet it offers an ever increasing tax benefit to working families earning above $20,000. It is still not possible to calculate the total dollar value the government will forgoe to subsidize child care should salary reduction become a common practice. Needless to say, the amount will be substantial. Having made so large an investment in child care benefitting middle and upper income families, government may feel compelled to consider a concomitant commitment to the working poor and blue collar families which would substantially increase the cost of child care expenditures. Or, it may feel compelled to reduce its commitment to low-income families, which would be disastrous for the individual families and the country as a whole.

Nevertheless, salary reduction is a popular program for employers and for middle and upper-middle income workers who also suffer extreme financial burdens in paying for child care. Salary reduction could inspire more programs than any other form of employer assistance. This could have the effect of bringing child care needs and expenses to the attention of companies who will then have records of the number of employees incurring child care expenses and may choose to initiate other forms of assistance to them.

We recommend that dependent care be handled as a separate issue within cafeteria-style benefit plans and a cap put on the amount of funds that employees can use for salary reduction for dependent care. Dependent care benefits have special characteristics which should influence the regulations that govern their operation in cafeteria-style benefit plans:

* Dependent care expenses are regular, predictable expenses essential to allowing a parent or spouse to go to work.

* They are time-limited--within very definable periods.

* A parent cannot avoid or defer these expenses.

* Child care expenses are a burden for working families.

The Proposed Regulations on Tax Treatment of Cafeteria Plans -- IRS Information Release 84-59 -- makes specific reference to dependent care as an allowable benefit in a cafeteria plan, we propose the following recommendations for these regulations:

* Setting a ceiling on the amount of child care expenses that can be claimed as a tax-free benefit to minimize overuse by the highest paid workers. The ceiling should be based on the cost of full-day

center-based pre-school care and should be indexed to reflect cost of living increases.

- Because of the difference in character between dependent care and traditional medical expenses, employees should have the option to carry over salary set-asides to the following year and at least one option to change their election during the course of the year.

- We recommend eliminating the discrimination test. A ceiling on the amount of the benefit will eliminate the abuses that a discrimination test was designed to eliminate and will work to the benefit of the vast majority of employees who work for smaller companies which a discrimination test would not do.

- DCAPs should be allowed to exist as a stand-alone benefit where the employer desires and not automatically be linked to other benefits.

Finally, the committee could examine the ways in which the tax system could be used to provide incentives for more providers to enter into and stay in the profession. For example,

- Examine the possibility of providing special tax advantages for those who provide Family Day Care in their home and are linked to a neighborhood "Center" that provides training, monitoring, a base for meetings, and ancillary food and business services. There could be an added incentive every year up to five years to encourage people to stay with the profession.

- There could be a tax concession to child care providers who spend their own money for additional training. Again the concession could increase for those who stay in the profession 5 years or more.

The Committee has received testimony from Joseph Piccione on the benefits of a family allowance. The Center can add little to the argument except to endorse it as a potentially more equitable approach.

4. **Endorse the need for increased direct subsidy by expanding modification of the existing funding mechanisms — principally The Human Services Block Grants — and establishing a national subsidy formula to be applied state-by-state, with state and local matches.**

The need for dependent care in the U.S. today takes many forms. Workers may need to find care for an infant, pre-schooler, a school-age child under 12, a chronically ill child or adult, a handicapped child or adults, or an aged infirm parent or relative. The forms of assistance they seek include in-home sitters or attendants, family-based day care, full-day group programs, part-day programs, and emergency and specialized services. Those who need to purchase dependent care include working parents -- both single parents and two-parent working families -- parents in dire financial and/or emotional straits, those in professional and non-professional training programs, students in high-school, and parents in need of special services for sick children, the chronically ill and the handicapped.

In order to supply such a diverse population with such a wide range of services at a price they can afford, we believe that direct subsidy, either through the existing HSBG program or through some form of vouchering, is the most equitable and easiest to administer funding mechanism. This system makes it easier to target benefits to low-income families, takes advantage of the systems that are already in place, and allows for state and local matches and monitoring.

One of the major problems with existing subsidy programs is that there are income eligiblity criteria with fixed cut-off points. Thus a parent who receives a small raise can suddenly find that their children can no longer attend subsidized day care but finds child care on the open market not only costs more than the raise they received, but costs more than they can possible afford. We need a graduated subsidy for all workig parents based on the difference between the cost of care and a calculated "ability to pay" based on salary and number of family members. These subsidisies could be available for group day care as well as for family day care homes, infant programs and after-school programs.

5. **Encourage business participation by specifically encouraging companies to support their local resource and referral networks and by urging them to develop more extensive paid maternity and paternity leave programs.**

Two years of extensive work with employers has led the Center to conclude that the most effective role for corporations -- one that they can understand, embrace and afford -- is to supprt the resource and referral services in their own communities. The recent decision by IBM to provide access to I&R services for their employees in all the communities where their workers live, demonstrates the appeal of this form of assistance to business. There are too many problems with on-site centers for this form of assistance to become more than an isolated phenomena. There will never be enough on-site centers provided by employers to substantially affect the supply of child care for workers. Nor is business likely to begin supplying subsidies for child care; there simply isn't enough of a demonstrated cost/benefit trade-off.

However, aside from those companies that have offered DCAP's through salary reduction (meaning that the company is not putting any money into the program), the greatest growth in employer interest in assisting employees with child care is through information and referral services. Most companies contract with a local information and referral service which provides the company's employees with information about programs in their area which might fill their needs, advises them on how to select the right programs, and gives them a follow-up call in a few months to see that they are happy with the arrangement they have made. A recent study by Catalyst of the nation's top 1500 employers found that more companies favor this form of assistance than any other (80%). It is appealing to companies because they can help their own employees and the community at the same time (R&R services with corporate contracts can provide the general public with better service as a result), the initial cost is low, they can observe how valuable it is to their employees over time and become more involved in other forms of support if this "works", and they can do it in cooperation with other businesses, the local R&R service, and often the United Way -- no government involvement is necessary. Their investment is tax-deductible as a business expense.

We recommend that this particular form of assistance be suggested to companies by those congressional and executive branch initiatives to involve the business sector in child care. This does not mean that there is no need for some government funding to R&R services. In fact, those services that have funds to develop a good corporate presentation and can also provide traning and suspervision for family day care homes, are best equipped to market their services to companies. Some funding for these services could and should be provided through government demonstration program funds; but eventually the major responsibility for maintaining these services could be sustained by business.

The second thing business can and should do is to provide more extensive paid maternity and paternity leave for new parents and for parents of adopted children. The cost of infant care is very expensive and studies show that center-based care may present some difficulties for some infants. Most mothers state that they would prefer to spend more than six weeks at home with newborns, but economic necessity forces many of them to go back to work as soon as possible. This approach seems short-sighted, doing a disservice to parents, infants and the companies. A far more humane approach has been developed in European countries like Austria where the unemployment insurance system is utilized to provide mothers with one year maternity leave, a guaranteed job upon return and the equivalent of $300 per month in pay.

6. **Fund demonstration programs with school systems, labor unions, non-government organizations and government agencies to develop new models of after-school programs and sick child programs in different parts of the country and in urban and rural settings.**

We need more experience and incentive for schools to take up the slack in caring for latch-key children between the time the school day ends at 3PM and the parents return from work around 6PM. Since the major barrier to experimentation is the additional cost of keeping school buildings open and in start-up costs, the timing seems right for a demonstration program with federal funds.

Many youth-serving non-governmental organisations like the Y's, Girl's and Boy's Club, Scouts, etc. are willing to organise programs in the schools and some school systems want to provide an opportunity for some of their teachers to also work with after-school programs, but they need the incentive of government funding (perhaps on a matching basis or formula) to overcome the inertia of the current "system".

Conclusion

These six suggestions require more definition, study and probing analysis; however, many of those who testified before the Committee demonstrated a detailed understanding of the intracies of the issue and the ability to assist the committee in the process of refining these suggestions into a form that can be implemented. We urge the Committee to take advantage of this expertise and offer our resources to you.

Center for
Public Advocacy Research
12 West 37th Street · New York, NY [illegible] · [illegible]

The Inequities of Salary Reduction as National Child Care Policy: Where Do We Go From Here

By: Ronald Soloway
Executive Director

July, 1983

Introduction

Today working parents can receive child care assistance in three ways: direct subsidy through Title XX and Title IV-A, child care income tax credits and employer contribution. Each of these assistance programs offers varying benefits to working parents depending on income, number of children, geographical location and place of employment. This paper considers whether salary reduction plans as part of employer-supported Dependent Care Assistance Plans will offer any additional child care assistance to those working parents most in need.

The Internal Revenue Service is currently considering whether to approve salary reduction plans under Section 125 of the United States Tax Code which authorizes their use in conjunction with dependent care assistance programs. Salary reduction is an option for an employer interested in subsidizing their employees child care costs. This occurs through mutual agreement between the employee and employer to lower the taxable income of the employee, the amount of which would be given to the employee in the form of pre-tax dollars usable for child care. For instance, an employee earning $20,000 could lower his/her salary by $3,000 paying taxes on a $17,000 salary and using the valuable $3,000 for child care expenses. Of clear value to some employees, salary reduction is also valuable to the employer since they can "assist" employees with their child costs without contributing anything financially. In fact, the employer saves money on reduced social security and unemployment insurance payments and ultimately in the productivity gains made by employees with more satisfactory and stable child care arrangements.

Along with flexible benefits, Dependent Care Assistance Plans, vouchers and flexible spending accounts, salary reduction is being presented as a unique opportunity to involve employers in child care and create affordable child care for working parents. However, there may be some potentially negative implications to the widespread use of salary reduction as the mechanism to achieve these goals, particularly for low wage earning employees. This paper begins to explore some of the potential inequities in salary reduction when offered by employers and the subsequent effect of those inequities given current government policy.

It is the position of the Center for Public Advocacy Reserach, Inc. that day care should be universally available and affordable to all families desiring it for their children. In the absence of a national child care policy providing such child care, we believe that government should subsidize the child care services for those parents least able to afford it themselves. Further, we believe that those employers able to act in their own economic interest will be more likely to provide child care benefits to their most valued and highly paid workers, leaving greater numbers of lower paid, unskilled working parents without corporate support for their child care needs.

Summary and Highlights

Our analysis of the salary reduction option under Dependent Care Assistance Programs reveals that:

- o Salary reduction of $2400 will provide limited benefits to working parent(s) with incomes below $20,000 because these working parents do better taking advantage of the child care tax credit. Salary reduction at the $5,000 level will be more beneficial to taxpayers with gross incomes above $15,000 but many of those taxpayers will not spend 1/3 of their income on child care.

- The federal government will be providing massive subsidies to those working parents most able to afford paying their own child care costs. This will be occurring in light of recent cutbacks in federal child care funds available under Title XX and Title IV-A.
- Salary reduction is attractive to employers because they can support child care without cost to the company -- in fact, they might save money. It effectively lifts the economic burden from employers for meeting the child care needs of its employees -- shifting it back to government and individual workers -- despite the benefits accruing to business from a workforce more productive because of stable child care arrangement.
- Dependent Care Programs due to their "non-discriminatory" coverage would be more likely to benefit lower paid workers. On the other hand, because of the availability of the child care tax credit, salary reduction tends to benefit higher income workers.
- The benefits under salary reduction should be capped so funds will be available to expand federal support to lower income working parents through increased contribution to Title XX and IV-A and by increasing the value of the child care tax credit.

Analysis

To begin our analysis of the utility of Salary Reduction plans to different family income groups we assumed several criteria:

1. An analysis of how salary reduction and the child care tax credit impact on a family of three with one wage earner accurately reflects the impact on other family groupings.

2. The use of $2400 and $5000 levels of cost for child care can accurately reflect the different economic impact between use of the child care tax credit and salary reduction.
3. That family of three with one wage earner must have an after tax income of $10,400 to pay for household necessities before funds become available for child care.*

The first step in the analysis was to determine at what income level this family of three with one wage earner could afford to purchase child care services. As detailed in Table 1, it was determined that funds become available for child care at approximately $12,000 of income. Below this level, this family cannot avail itself of the benefits of either salary reduction or the child care tax credit and must, of necessity, rely on publicly subsidized child care.**

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*The following costs for household necessities are below the "lower level" standard of living for the New York City-Northern New Jersey metropolitan area but may be equivalent to this standard in many parts of the United States.

Food	=	$3950.00
Housing	=	2100.00
Home Furnishing & Upkeep	=	532.00
Transportation	=	814.00
Clothing	=	700.00
Personal Care	=	304.00
Medical Care	=	1000.00
Other	=	1000.00
		$10,400.00

**In New York State this family would be charged about $500 for publicly subsidized child care -- funds ($350 due to a $150 tax credit) that would have to be paid by forgoing a portion of the necessities of life.

Interestingly, this family is unable to benefit from the highest percentage of the child care tax credit (30%) because the family has no disposable income to spend on child care if total income is less than $10,000, and for slightly higher wage earners, because of lack of refundability of the child care tax credit. In fact, this family will not reach maximum eligibility for the child care tax credit ($2400) until income reaches a little above $15,000.

TABLE ONE

FAMILY INCOME AVAILABLE FOR CHILD CARE PAYMENTS BY INCOME FOR A FAMILY OF THREE WITH ONE WORKING PARENT

Gross Annual Family Income	Taxes-Income and Social Security*	Net Annual Family Income	Required Family Consumption Budget	Available Funds for Child Care
$10,000.00	$1,249.00	$8,751.00	$10,400.00	($ 1,249.00)
12,000.00	1,692.00	10,308.00	10,400.00	(92.00)
15,000.00	2,435.00	12,565.00	10,400.00	2,165.00
16,000.00	2,692.00	13,308.00	10,400.00	2,908.00
17,000.00	2,949.00	14,051.00	10,400.00	3,651.00
18,000.00	3,206.00	14,794.00	10,400.00	4,394.00
19,000.00	3,483.00	15,517.00	10,400.00	5,117.00
20,000.00	3,760.00	16,240.00	10,400.00	5,820.00
23,500.00	4,781.00	18,718.50	10,400.00	8,318.50
30,000.00	7,022.00	22,978.00	10,400.00	12,578.00

*In calculating income tax three dependents @ $1,000 each are subtracted from gross income. 1983 tax tables are used.

If we assume child care costs of $2400 for the year (Table 2), the net gain from using the child care tax credit is more beneficial to families with gross annual incomes of $19,000.00 but is less desirable for the family at the $20,000.00 income level. At the $20,000.00 income level the advantage to the family of using the salary reduction option rather than the tax credit is $32.80; at $23,500.00, the advantage of using salary reduction is $140.80; and at $30,000.00 the advantage of salary reduction is $352.80. At $87,200.00 the benefit of salary reduction maximizes at $1200.00 ($720.00 above the available child care tax credit) because these taxpayers can take full advantage of the full $2400 pre tax deduction within the 50% maximum tax bracket.

TABLE TWO

RELATIVE ADVANTAGE OF CHILD CARE TAX CREDIT VS. SALARY REDUCTION BY GROSS FAMILY INCOME FOR A FAMILY OF THREE WITH ONE WORKING PARENT PAYING $2400 PER YEAR FOR CHILD CARE

Gross Annual Family Income	Funds Available for Child Care	Taxes on Income with Child Care Tax Credit	Taxes on Income with Salary Reductions	Net Gain Using Child Tax Credits	Net Gai Using Salary Reducti
$10,000.00	($ 1,249.00)	N.A.	N.A.	N.A.	N.A.
12,000.00	92.00)	N.A.	N.A.	N.A.	N.A.
15,000.00	2,165.00	1,807.15	1,898.24	627.85	536.7
16,000.00	2,908.00	2,020.00	2,087.20	672.00	604.8
17,000.00	3,651.00	2,277.00	2,334.20	672.00	614.8
18,000.00	4,394.00	2,558.00	2,589.20	648.00	616.8
19,000.00	5,117.00	2,835.00	2,846.20	648.00	636.8
20,000.00	5,820.00	3,136.00	3,103.20	624.00	656.8
23,500.00	8,318.50	4,205.50	4,064.70	576.00	716.8
30,000.00	12,578.00	6,518.00	6,156.20	504.00	856.8

If we assume child care costs of $5000.00 per year, the relative advantage of salary reduction over the child care tax credit occurs at approximately $15,500.00 of income. At $16,000.00 of income the advantage of salary reduction is $58.28, at $18,000.00 the advantage is $376.00; at $20,000 the advantage is $701.00; at $23,500 the advantage is $861.00; and at $30,000.00 the advantage is $1221.00. Thus, the family earning $30,000 has a tax advantage via salary reduction of $1725.00 (vs. a $504.00 savings with the child care tax credit) benefiting in the amount of $1221.00 over current tax policy.

On the other hand, the family earning $16,000 has a tax advantage via salary reduction of $703.28 (vs. a $672.00 child care tax credit) benefiting in the amount of $58.28 over current tax policy. A further analysis of Table Three indicates the relative advantages of the salary reduction option to wealthier taxpayers while those taxpayers considered low income working class receive relatively little tax advantage. Benefits under salary reduction maximize at $2500 ($2020.00 above the available child care tax credit) for families of this type earning $89,800.00 where they can take advantage of the full $5000.00 pre tax deduction within the 50% tax bracket.

TABLE THREE

RELATIVE ADVANTAGE OF CHILD CARE TAX CREDIT VS. SALARY REDUCTION BY GROSS FAMILY INCOME FOR A FAMILY OF THREE WITH ONE WORKING PARENT PAYING $5000 PER YEAR FOR CHILD CARE

Gross Annual Family Income	Funds Available for Child Care	Taxes on Income with Child Care Tax Credit	Taxes on Income with Salary Reductions	Net Gain Using Child Tax Credits	Net Gain Using Salary Reduction
$10,000.00	($ 1,249.00)	N.A.	N.A.	N.A.	N.A.
12,000.00	(92.00)	N.A.	N.A.	N.A.	N.A.
15,000.00	2,165.00	1,807.15	1,898.24	627.85	536.76
16,000.00	2,908.00	2,020.00	1,961.72	672.00	730.28
17,000.00	3,651.00	2,277.00	2,025.20	672.00	923.80
18,000.00	4,394.00	2,558.00	2,182.08	648.00	1,024.00
19,000.00	5,117.00	2,835.00	2,186.00	648.00	1,297.00
20,000.00	5,820.00	3,136.00	2,435.00	624.00	1,325.00
23,500.00	8,318.50	4,205.50	3,344.50	576.00	1,437.00
30,000.00	12,578.00	6,518.80	5,297.00	504.00	1,725.00

Summary and Conclusion

This paper demonstrates that salary reduction is of little benefit to taxpayers below $16,000 because these working parents would receive equal or better value by using the child care tax credit. Between income levels of $16,000 and $20,000, the salary reduction may have some marginal utility to working parents with that utility increasing as the cost of child care increases. At $2400 of child care cost per year, the salary reduction option poses little benefit; but at $5000 of child care cost per year, the salary reduction option could double the savings available to a family earning $20,000. One must consider, however, how likely working parents earning $20,000 are to be spending $5000 on child care. Above $20,000 of income, salary reduction offers substantial and ever increasing tax benefits to working parents.

Within the context of this paper, it is impossible to calculate the total dollar value the government will spend to subsidize child care should salary reduction be approved by the Internal Revenue Service. Needless to say, the amount will be substantial. Having made such a large investment in child care benefiting middle and upper income families, government must be asked what the concomitant commitment is to the working poor and blue collar family. Will Title XX and Title IV-A child care funds be increased? Will the child care tax credit be increased for lower-income working families? Will the child care tax credit be made refundable? Without federal government commitment to address the child care needs of the neediest working parents, salary reduction becomes nothing more than a massive income redistribution plan on behalf of those most able to afford child care for their children.

And what does a salary reduction option do for business? At a time when business is being pressured by a changing workforce, labor shortage and employee demands for child care, salary reduction permits companies to meet their needs through government subsidy. Under current regulations, business could set up a dependent care assistance plan to meet the child care needs of its working parents -- supported through corporate financing much like other fringe benefits. With salary reduction, there will be no incentive for business to establish DCAP's without salary reduction. Hence, no corporate contribution to the child care needs of its working parents.

The recent design of various subsidy programs by business, whether through Dependent Care Assistance or vouchers, generally tends to take into account employee earnings. For a number of companies, like Polaroid and the Ford Foundation, greater benefits are offered to the lower wage earning employees in recognition of their greater needs. Salary reduction creates incentive patterns, described earlier, which result in greater benefit to the wealthier working parent(s).

Salary reduction must be seen for what it is -- income redistribution to the wealthier and welfare for the corporate sector. And what do the working poor get out of salary reduction? Very little. In fact, they might actually suffer more if the reduced federal revenues accruing from salary reduction plans create the need to further reduce federal spending and such cuts are made to Title IV-A, Title XX or the Child Care Feeding Program.

Those attempting to influence corporate activity in child care must examine the potential dangers of lobbying against salary reduction for it surely will be of some value to struggling middle class earners. The major inequity is that government under salary reduction subsidizes the wealthier wage earner and businesses which should be contributing to the child care need of its working parents.

A way must be found to increase government and business contributions to the child care needs of low income working parents. Perhaps the discussion should focus on what tradeoffs we want from the federal government and corporate sector for our support of salary reduction. What can we get? What strategy should we use?

In the meantime, we suggest that if salary reduction plans are approved by the Internal Revenue Service they should be capped at $3000 per individual. This limitation would help assure the non-discriminatory nature of Dependent Care Assistance Plans and reduce federal outlays -- savings which we as child care advocates can argue should be used to fund child care services for low-income working parents through Title XX and IV-A or by increasing the value to this population of the child care tax credit.

PREPARED STATEMENT OF T. BERRY BRAZELTON, M.D., CHIEF, DIVISION OF CHILD DEVELOPMENT, CHILDREN'S HOSPITAL, ASSOCIATE PROFESSOR OF PEDIATRICS, HARVARD MEDICAL SCHOOL

It is absolutely vital that we as a nation begin to look for critical times when we can shore up families in our country. Fifty-eight percent of children will have been raised for a significant part of their lives in single parent families by the time they are 18. Single mothers (divorced, widowed or by choice) constitute 98 percent of these single parents. Their families are contributing to a large percent of the below-poverty level incomes because of the lack of opportunity and low salaries for women and also because most of these women must balance their families' care with part-time jobs. A majority of these low income, single parent families are minority families who already have a feeling of failure and of powerlessness in the White society. Their only resort is to turn to welfare systems or to other government subsidies when they find they cannot manage on low incomes and still support their families. They will inevitably give up and become reliant on handouts. This cannot be a proper environment for an increasingly large percent of children in our country. We must start to look for ways to improve the chance of families staying together and for building up the parents' self image at a time when they can be reinforced for work and family productivity. If they have a positive self-image, they are likely to pass this on to their children, who will grow up to be more competent and independent citizens in the future.

One time to back up new, young families seems obvious -- around the advent of a new baby. All of the evidence that we have about pregnancy, labor and delivery and the growth of attachment between parents and new infant show us that this is an optimal time for reinforcing nurturant forces in adults within a family. If we support new parents with a competence model at the time of their readjustment to a new infant, we can hope to reinforce their attachment both to the baby and to each other. We shall strengthen the family against future onslaughts. If we give parents a feeling that this is a time when they are needed as nurturers, they are likely to feel empowered as people and pass on this feeling of empowerment to their offspring. This is a none-such time for us as a country to emphasize as symbolic of our belief in the future of the U.S. family.

We must institute the full, free choice of being at home to nurture a new baby for a significant time. Our own research (see reprint) indicates that a new mother needs four months to learn about her baby and about herself as a nurturer. We must provide paid maternity leave for at least a three-month period for working women at a national level. If we want men to be involved in their future families, we must provide one month paid leave for men — to symbolize our belief that men are critical to their families. The U.S. is already far behind Sweden, Russia, China, Japan, Israel and most Eurpoean countries in providing this kind of maternity and paternity leave for new families. We must reconsider. We cannot expect industry or individual employers to have the same investment in our future families.

When we have instituted government paid leave for parents, we can ask industry to consider their own roles in backing up parents of young families. Such well-tried programs as 1) flex time, 2) shared jobs, 3) part-time jobs for new parents and 4) substitute care for children within the industrial setting. Industries who provide these cushions for the family are finding a predictable increase in output, increased allegiance and decreased attrition in their trained employees. The stress on the worke for managing their families and their jobs are decreased and their energy for investing in their jobs is increased, as would be expected (cf. Strideright, etc.). We must alert industry to these programs.

Meanwhile, since over half of mothers (married and single) in this country of children under six are in the workforce, it is critical that we examine what kind of environments they are providing for their children while they work. We know that the number of supervised day care centers or family day care centers are woefully inadequate to serve the needs of these people. The more deprived the family, the less likely they are to find suitable care for their children. Minorities and the very poor are endangered, in particular. We know now that the future of small children is highly dependent on the adequacy of their environments in infancy and early chilhood. Can we afford to let poverty reproduce itself? Can we afford to have minority families pass on a feeling of fear, of.hopelessness and of being beseiged by our present culture? For this is what inadequate care in infancy and early childhood will engender in these children.

We have resisted looking carefully at the effects of substitute care in the U.S. because of a basic, largely unconscious bias that mothers should be at home with their children. We do not want to consider any alternative. But, to our chagrin in this country, we are finding that it is no longer even an average family that has a mother at home. Over half of the children under six are in substitute care with mothers at work. We must address this as a nation. We need to look carefully at 1) the timing which is optimal for parents to return to work, 2) when it is least harmful to place infants in substitute care, 3) what kind of care is minimal for their optimal development, 4) what outcomes we can expect in emotional, cognitive and physical development if we place babies in substitute care. Most outcome studies so far have been done with a strong bias for or against day care and are for small populations. Hence, they may not represent outcomes for all children who are at risk. We do not have outcome measures of social and personal development which may represent the deficits and the assets of early day care. (cf. Headstart showed benefits in outcome at 14 years when children demonstrated more motivation, increased self-image, etc.). We need better studies and ones which represent all populations -- especially for poor and for subcultures.

But provision of day care could be a supplement to the family if it were done properly. It could split families apart if it is done improperly. Of course parents will grieve and feel inadequate at having to leave small children in the care of others. Of course they will abdicate responsibility to others. Of course it could loosen ties within the family. We must not allow that to happen. Day Care centers must focus on strengthening family ties. If their goal is the family as well as the child, it could become a major force for enhancing family life for working families.

Day Care must be subsidized in order to provide the kind of optimal care we need for babies and small children. Unless the ratio is no greater than one adult to four babies or small child, we know that children cannot receive adequate individualized attention and appropriate stimulation. A ratio of less than 1:4 with a trained and supervised day care person is dangerous to the future of our country. We can expect an increase in disordered, disturbed and psychopathic teenagers. We cannot afford that. We must provide adequate care and stimulation for small children whose futures are at risk. We must upgrade day care as a profession and supervise it properly. The kind of serious assaults on small children in day care have only occurred where professionals were not well trained and supervised, and where parents were not empowered to participate in the supervision of these centers. We need parent involvement. We need proper training, supervision and remuneration for all day care personnel.

The National Association for Education of Young Children is ready to institute a program for supervising quality assessment of day care centers. We should back them to carry it out annually. We must subsidize day care nationally. We must create tax incentives for parents who must use day care.

These programs could strengthen the family and the future of our children in the U.S. We can't afford to neglect these opportunities.

The Psychoanalytic Study of the Child

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EDITED BY
ALBERT J. SOLNIT
RUTH EISSLER
ANNA FREUD
MARIANNE KRIS
PETER B. NEUBAUER

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Four Early Stages in the Development of Mother-Infant Interaction

T. BERRY BRAZELTON, M.D. AND HEIDELISE ALS, Ph.D.

HAVING COME TO THE STUDY OF NEONATES BY WAY OF PEDIATRIC practice and psychoanalytic research on mother-infant interaction at the Putnam Children's Center, we became aware of the powerful influence of the individuality of the new infant in shaping his environment.[1] In the early 1950s, when most of our research was aimed at understanding the environmental forces which produced pathology in childhood, we were struck with the importance of seeing this pathology as the result of an interaction between the child and his environment. It appeared to be vitally important to understand why parents could function well with one kind of infant but not with another (Brazelton, 1976). This led us to try to

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Dr. Brazelton is Associate Professor of Pediatrics, Harvard Medical School; Director, Child Development Unit, Children's Hospital Medical Center, Boston. Dr. Als is Assistant Professor of Pediatrics (Psychology), Harvard Medical School; Director of Research, Child Development Unit, Children's Hospital Medical Center, Boston.

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[1] Because of the authors' close collaboration since 1972, the pronoun "we" has been used throughout, although only the senior author in fact worked at the Putnam Children's Center.

understand the kinds of equipment which each member of the mother-infant dyad brought to their interaction. We do not mean to exclude the father and siblings, nor the extended family, for all of these are of vital importance to the dyad of which we shall speak. But for simplicity's sake, we shall speak here of mothers and infants. In this process of interaction, we have become even more impressed with the power of such a dyadic interaction itself, and the importance of not analyzing each member as if he were an independent actor—independent of the effects of the interaction.

We felt that the earliest observable behavior of mothers and infants might be a clue to the influence each member of the dyad might have on the other. We found in our research at Putnam Children's Center that the prenatal interviews with normal primiparas, in a psychoanalytic interview setting, uncovered anxiety which seemed at first to be of almost pathological proportions. The unconscious material was so loaded and so distorted, so near the surface, that before delivery the interviewer felt inclined to make an ominous prediction about each woman's capacity to adjust to the role of mothering. Yet, when we saw each in action as a mother, this very anxiety and the distorted unconscious material seemed to become a force for reorganization, for readjustment to an important new role. We began to feel that much of the prenatal anxiety and distortion of fantasy was a healthy mechanism for bringing a woman out of the old homeostasis which she had achieved to be ready for a new level of adjustment. The "alarm reaction" we were tapping was serving as a kind of "shock treatment" for the reorganization required for her new role. We agree with Bowlby's (1969) concept of attachment and his emphasis on the "imprinting" of the mother on the new infant. We now see the shake-up in pregnancy as readying the circuits for new attachments; as preparation for the many choices which she must be ready to make in a very short, critical period; as a method of freeing her circuits for a kind of sensitivity to the infant and to his individual requirements which might not have been easily or otherwise available from her earlier adjustment. Thus, this very emotional turmoil of pregnancy and of the neonatal period can be seen as a positive force in the mother's healthy adjustment, enabling her to provide a more individualizing, flexible environment for the infant (Bibring et al., 1961).

Prospective fathers must be going through a very similar kind of turmoil and readjustment. In an ideal situation we might be offering both of them a lot more support and fuel for their new roles than we do. So far, we in medicine have not done well in substituting for the extended family in this earliest period, but we surely are just on the brink of exercising our potential as supports for young parents.

As we began in the early 1950s to attempt to document and understand neonatal behavior, very powerful mechanisms seemed to dominate the neonate's behavior (Brazelton, 1961). In the tremendous physiological realignment that the changeover from intrauterine to extrauterine existence demands, it has always amazed us that there is any room for individualized responses, for alerting and stimulus-seeking, or for behavior which indicates a kind of processing of information in the neonate; and yet, there is. Despite the fact that his major job is that of achieving homeostasis in the face of enormous onslaughts from his environment, we can see evidence of affective and cognitive responses in the immediate period after delivery.

This very capacity to reach out for, to respond to, and to organize toward a response to social or environmental cues seems so powerful at birth that one can see that even as a newborn the infant is "programmed" to strive, as he wakes from sleep and is on his way to a disorganized crying state, to turn his head to one side, to set off a tonic neck reflex, to adjust to this with a hand-to-mouth reflex and sucking on his fist. All of these can be called primitive reflex behaviors. But as soon as the newborn has completed this series, he sighs, looks around, and listens with real anticipation, as if to say, "This is what I'm really here for—to keep interfering motor activity under control so that I can look and listen and learn about my new world."

Our own model of infant behavior and early infant learning goes like this: The infant is equipped with reflex behavior responses which are established in rather primitive patterns at birth. He soon organizes them into more complex patterns of behavior which serve his goals for organization at a time when he is still prone to a costly disorganization of neuromotor and physiological systems, and then for attention to and interaction with his world (Als, 1979a). Thus, he is set up to learn about himself, for as he achieves each of these goals, his feedback systems say to him, "You've done it again! Now go on." In this way, each time he achieves a state of homeostatic control, he is fueled to go on to the next stage of disruption and reconstitution—a familiar model for energizing a developing system. We use Robert White's (1959) "sense of competence" as our idea for fueling the system from within. We also believe that the infant's quest for social stimuli is in response to his need for fueling from the world outside. As he achieves a homeostatic state, and as he reaches out for a disruptive stimulus, the reward for each of these states of homeostasis and disruption is reinforced by social or external cues. Hence, he starts out with the behaviorally identifiable mechanisms of a bimodal fueling system—(1) of attaining a state of homeostasis and a sense of achievement from within; and (2) the energy or drive to reach out for and incorporate cues and reinforcing signals from the world around him, fueling him from without. He is set up with behavioral pathways for providing both of these for himself—for adaptation to his new world, even in the neonatal period. Since very little fueling from within or without may be necessary to "set" these patterns and press him onward, they are quickly organized and reproduced over and over until they are efficient, incorporated, and can be utilized as the base for building later patterns. Greenacre's (1959) concept of early pathways for handling the stress and trauma of birth and delivery as precursors for stress patterns later on fits such a model. It is as if patterns or pathways which work were "greased up" for more efficient use later on. Our own concept is that others are available *too*, but these are just readied by successful experience.

With this model of available behavioral response systems which provide an increased availability to the outside world, one can then incorporate Sander's (1977) ideas of early entrainment of biobehavioral rhythms, Condon and Sander's (1974) propositions that the infant's movements match the rhythms of the adult's voice, Meltzoff and Moore's (1977) work on imitation of tongue protrusion in a 3-week-old, and Bower's (1966) observations on early reach behavior to an attractive object in the first weeks of life. As each of these responsive behaviors to external stimuli fuels a feedback system within the baby toward a realization that he has "done it"—controlled himself in order to reach out for and respond appropriately to an external stimulus or toward a whole adult behavioral set—he gets energized in such a powerful way that one can easily see the base for his entrainment. The matching of his responses to those in the external world must feel so rewarding that he quickly becomes available to whole sequential trains of behavioral displays in his environment and begins to entrain with them. He becomes energized to work toward inner controls and toward states of attention which maintain his availability to these external sequences. In this way, "entrainment" becomes a larger feedback system which adds a regulating and encompassing dimension to the two feedback systems of internalized control and externalized stimulus-response. Hence, entrainment becomes an envelope within which one can test out and learn about both of his fueling systems. Thus, he can learn most about himself by making himself available to entertainment by the world around him. This explains the observable drive on the part of the neonate to capture and interact with an adult interactant—and his "need" for social interaction. Figure 1 shows a schematic presentation of this mutual fueling process (Als and Brazelton, 1978).

But the infant is not alone in this process of learning about himself in the first few weeks and months. Because of the available energy, disrupted from old pathways in pregnancy—anxiety, if you will—the new parents are just as raw and ready for learning about themselves as the neonate. Just as they learn about each new stage in their development and find the appropriate control system, and experience the excitement of being fueled by the baby, the father and the mother are forced to learn about themselves. As each new stage in the infant's development presses them to adjust, they learn about the excitement *and pain* of disruption and the gratification of homeostasis as they hit a plateau. In this way, we see mothers and fathers learning about themselves as developing people while they learn about their new baby. This is also the way in which the fueling for both nurturance and learning comes about at each new stage in the baby's development. Otherwise, nurturing a new infant would be too costly and too painful. In a reciprocal feedback system, the rewards are built in for the parents as well as the infant.

We have adopted some of the concepts of a cybernetic feedback system as adaptable to our conceptual base (Tronick and Brazelton, 1979; Brazelton et al., 1979). This system allows for the feedback rewards of achieving homeostasis as well as the importance

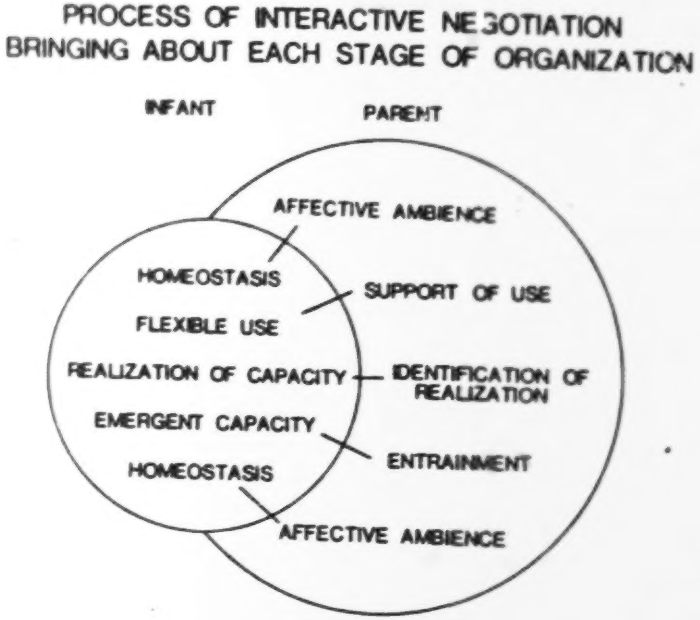
PROCESS OF INTERACTIVE NEGOTIATION
BRINGING ABOUT EACH STAGE OF ORGANIZATION
INFANT
PARENT
AFFECTIVE AMBIENCE
HOMEOSTASIS
SUPPORT OF USE
FLEXIBLE USE
REALIZATION OF CAPACITY
IDENTIFICATION OF REALIZATION
EMERGENT CAPACITY
ENTRAINMENT
HOMEOSTASIS
AFFECTIVE AMBIENCE

Figure 1

of forces for disruption and the subsequent learning to reorganize after each disruption. It represents a fueling model which fits with Erikson's (1968) stages of development, McGraw's (1945) spurts in development with periods of regression for reorganization and digestion of newly achieved skills, and Piaget's (1936) concepts of assimilation and accommodation.

The notion of a feedback system seems to fit our model particularly well, since it presents an adaptive model to stress and change, with a built-in self-regulatory goal. The immature organism with its vulnerability to being overloaded must be in constant homeostatic regulation—the physiological and the psychological. Handling input becomes a major goal for the infant, rather than a demanding or a destructive one. Such a system can handle disruption either by negative, stressful or by positive, attractive stimuli; but the organizing aspect of both is seen in the amount of growth of the system. Since positive stimuli permit growth and homeostasis with less cost, one can predict the value of a sensitive environmental feedback for the immature organism; just as one can predict with a more constantly stressful environment that there will be an attempt at precocious mastery; and finally, if the adult member or members are insensitive to the needs of the immature member of the dyad or triad, an expensive fixation or even breakdown in the system. If disruption or fixation does not occur, then stress can provide a learning paradigm for handling the stress and then recovery (Als et al., 1979a). Either way there is disruption of the old balance, but in one there is the energizing feedback of closing a successful homeostatic circle, with the infant thereby being readied and fueled for the next step in development.

We first began to see the value of such a conceptual base when we were developing the Brazelton (1973) *Neonatal Behavioral Assessment Scale*. The concept underlying the assessment is that the neonate can defend himself from negative stimuli, can control interfering autonomic and motoric responses in order to attend to important external stimuli, and can reach out for and utilize stimulation from his environment necessary for his species-specific motor, emotional, social, and cognitive development. Using the baby's own control over his states of consciousness, the examiner attempts to bring the baby from sleep to wakefulness and even to crying and back to sleep again as he assesses the neonate's capacity to respond to and elicit social responses from the environment. In a 20-minute assessment, an examiner can begin to feel a neonate's strengths in shaping those around him. The newborn responds clearly and differently to appealing and negative intrusive stimuli. Both kinds of stimulation provide some form of organization, but as one handles him and sees him achieve an alert state, using the examiner's cues, and as he then maintains a clearly alert state, one begins to realize how much a part of his organization the nurturing "other" can and must be. We work to achieve the infant's "best performance" on a series of responses to various stimuli—to voice, to face, to handling and cuddling, to the rattle, and to a red ball. As the infant becomes excited and responsive, one can see his increased and increasing sense of mastery and involvement with the adult examiner. His states of consciousness become the holding or cybernetic envelope for all his reactions; and as he responds individually to stimuli and as he moves from state to state, one can see and feel him respond to the stimulus, regain his balance, then move on to respond to the next stimulus. The process of responding—of realizing that he has responded by readjusting his state to incorporate that response, of realizing he has achieved a new but stable state—becomes the initial envelope for interaction with his world and for realizing his own control over his homeostatic systems. As one plays with a newborn, one realizes that the newborn is indeed displaying a marvelous capacity to regulate his internal physiological responses by the mechanisms of internal homeostatic control or "state" control. The newborn's "awareness" of this capacity becomes a first basis for internalizing his capacity to control himself and his environment as well as a base for the next steps. We believe that these observations might lend perspective to Hartmann's (1939) idea of precursors of ego development.

In following the system of organization through the infant's first 4 months of life, we were able to discern three more successive stages of disruption, progress, and the reachievement of homeostasis. Throughout the infant learns about himself, and the mother's self-awareness increases as she participates in helping him achieve the goals of each of these stages. These then become a rich base for the infant's affective and cognitive development as well as his awareness of himself—developmental accomplishments which might be equated with early ego development.

In order to delineate these stages, we would like to describe how we have been studying them in normal and abnormal mother-infant and father-infant pairs. We first became aware of the infant's capacity to respond clearly and differentially to an object and a person, as early as 3 weeks of age, in the course of our work at the Harvard Center for Cognitive Studies.[2]

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[2] This work was carried out by the senior author in direct collaboration with Barbara Koslowski and Mary Main, in the larger context of studies conducted in association with Jerome Bruner, Edward Tronick, Colwyn Trevarthen, and T. G. Bower.

By 3 weeks of age, the infant stared fixedly at the object with wide eyes, fixating on it for as much as 2 minutes without disruption of gaze or of attention. In this period, his face was fixed, the muscles of his face tense in a serious set, eyes staring, mouth and lips protruding toward the object. This static, fixed look of attention was interspersed with little jerks of facial muscles. Tongue jerked out toward the object and then withdrew rapidly. Occasional short bursts of vocalizing toward the object occurred. During these long periods of attention, the eyes blinked occasionally in single, isolated blinks. The body was set in a tense, immobilized sitting position, with the object at the infant's midline. If the object was moved to one side or the other, the infant tended to shift his body appropriately so that it was kept at his midline. His shoulders hunched as if he were about to "pounce." This complex behavior was observed long before a reach could be achieved, the infant utilizing an antigravity posturing of the shoulders (Bruner et al., 1972). Extremities were fixed, flexed at elbow and knee, fingers and toes aimed toward the object. Hands were semiflexed or tightly flexed, but fingers and toes repeatedly jerked out to point at the object. Jerky swipes of an arm or leg in the direction of the object occurred from time to time as the period of intense attention was maintained. In this period, the infant's attention seemed "hooked" on the object, and all his motor behavior alternated between the long, fixed periods of tense absorption and short bursts of jerky, excited movement in the direction of the object. He seemed to hold down any interfering behavior which might break into this prolonged state of attention.

As the object was gradually brought into "reach space" (a conceptual area 10 to 12 inches in front of the infant), his entire state of attention and behavior changed. His eyes softened and lidded briefly, but continued to scan the object with the same prolonged attention. His mouth opened as if in anticipation of mouthing it. The tongue came out toward the object and occasionally remained out for a period before it was withdrawn. His neck arched forward as his head strained toward the object. Shoulders hunched, and mouth protruded. Swipes of arms and extension of legs at the knee increased in number. Hands alternately fisted and opened in jerky movements toward the object, as early as 6 weeks of age.

The contrast of the infant's behavior and attention span when he was interacting with his mother, rather than an inanimate object, was striking as early as 4 weeks of age. We felt we could see brief episodes of these two contrasting modes of behavior as early as 2 to 3 weeks, but by 6 weeks we could predict correctly from watching parts of his body and observing his span and degree of attention whether he was responding to an object or to his mother.

Of course, the expectancy engendered in an interaction with a static object as opposed to a responsive person must be very different (B. L. White et al., 1964; Piaget, 1937). But what surprised us was how early this expectancy seemed to be reflected in the infant's behavior and use of attention. When the infant was interacting with his mother, there seemed to be a constant cycle of attention (A) followed by withdrawal of attention (W)—the cycle being used by each partner as he and she approached, then withdrew and waited for a response from the other participant. For the mothers and infants observed, this model of A-W of attention seemed to exist on several levels during an interaction sequence. If she responded in one way, their interactional energy built up; if another, the infant might turn away. The same was true of her response to his behavior. In order to predict and understand which behavioral cluster will produce an ongoing sequence of attention, one must understand the affective attention available in each member of the dyad. In other words, the strength of the dyadic interaction dominates the meaning of each member's behavior. The behavior of any one member becomes a part of a cluster of behaviors which are interacting with a cluster of behaviors from the other member of the dyad. No single behavior can be separated from the cluster for analysis without losing its meaning in the sequence. The effect of clustering and sequencing takes over if one assesses the value of particular behaviors, and in the same way the dyadic nature of interaction supersedes the importance of an individual member's clusters and sequences. The power of the interaction in shaping behavior can be seen at many levels. Using looking and not looking at the mother as measures of attention-nonattention, in a minute's interaction we observed an average of 4.4 cycles of such attention and apparent nonattention. Not only were the spans of attention and of looking away of shorter duration than they had been with objects, but they clearly were smoother as the attention built up, reached its peak, and then diminished gradually with the mother. Both the buildup and the decrease in attention were gradual. All of the infant's movements were smooth, cyclical, and one could indeed tell from looking at a toe or a finger whether the infant was in an interaction with an object or a parent—and by 4 weeks of age, even which parent it was.

When we analyzed the interaction by our techniques (Brazelton et al., 1973), using 18 mother and 19 infant variables (table 1), we began to see that there were clusters of behaviors on each side in a predictable rhythm. With newer analysis systems developed over the last 5 years (Brazelton et al., 1975; Tronick et al., 1977, 1979; Als et al., 1979b), we were able to document when the mother could be sensitive to the infant's homeostatic needs for interaction and recovery and when he became locked in a rhythmic interaction with her, as interaction I (fig. 2) shows. When she overloaded him or was not sensitive to him, he essentially turned her off or, as interaction II (fig. 2) shows, withdrew from the interaction with her (Als et al., 1979b).

We have been analyzing interactions between mothers and infants and fathers and infants in order to understand the limits of this reciprocal feedback system, and in order to test it as a diagnostic instrument for intervention. For when a mother watches her videotaped interaction with us, we find she can tell us when she and the baby are making it and when they are not. By the same token, she can begin to model herself toward the successful reciprocal periods. But, most striking, we have begun to discern the stages of development through which successful pairs proceed in order to achieve a firm reciprocal base for emotional development in the infant and the attachment process in the mother.

The provision of organization which takes place in continuous adaptation to and feedback from the environment potentiates the newborn's increasing differentiation. This differentiation comes from an internalized recognition of his capacity to reach out for and to shut off social stimuli. This same capacity, in turn, results in growing complexity of the interactional channels and structures and provides increasing opportunities for the individual system to become more differentiated. Given such a flexible system, the infant's individuality is continuously fitted to and shaped by that of the adult. Our model is that of a feedback system of increasing expansion and potentiation of the developing organism, a system embedded in and catalyzed by the interaction with his conspecifics (Als, 1979a; Als and Brazelton, 1978; Als et al., 1979c, 1979d).

Table I

Infant and Mother Coded Behavioral Variables

Mother			Infant		
I	(1)	Vocalizing	I	(1)	Vocalizing
II	(2)	Smiling	II	(2)	Smiling
	(2A)	Laughing		(2A)	Laughing
III	(3)	Intent looking	III	(3)	Intent looking
	(4)	Dull looking		(4)	Dull looking
	(5)	Looking away		(5)	Looking away
				(6)	Eyes closed
IV	(6)	Reach	IV	(7)	Reach
	(7)	Touch		(8)	Touch
	(8)	Holding			
	(9)	Adjusting			
V	(10)	Moving into line of vision	V	(9)	Fussy, squirming
	(11)	Bobbing and nodding		(10)	Body cycling
	(12)	Leaning forward		(11)	Jerky, excited movements
	(13)	Leaning back		(12)	Leaning forward
				(13)	Leaning back
VI	(14)	Facial gestures	VI	(14)	Crying
	(15)	Hand gestures		(15)	Yawn
	(16)	Kiss		(16)	Spit up
	(17)	Wiping face		(17)	Bowel movement
	(18)	Miscellaneous		(18)	Tonguing
				(19)	Miscellaneous

The first item on a newborn's agenda is control over the physiological system, particularly breathing, heart rate, and temperature control. For preterm and at-risk newborns, this control is more difficult to achieve than it is for healthy full-term newborns. While control over these basic physiological demands is being achieved, the newborn begins to establish organization and differentiation of the motor system, affecting the range, smoothness, and complexity of movement. The next major agendum is the attainment of a stable organization of his states of consciousness. With this differentiation, the infant will have available all six states, from deep sleep to intense crying, and transitions between states will be carried out more smoothly. Achieving control over transitions between states demands an integration of the control over the physiological and motoric systems and the states of consciousness. The adult caretaker can play the role of organizer (Sander, 1977) and can begin to expand certain states, e.g., the quiet, alert state, as well as the duration and quality of sleep states. In addition, the caregiver can help regulate the transitions between states for the infant.

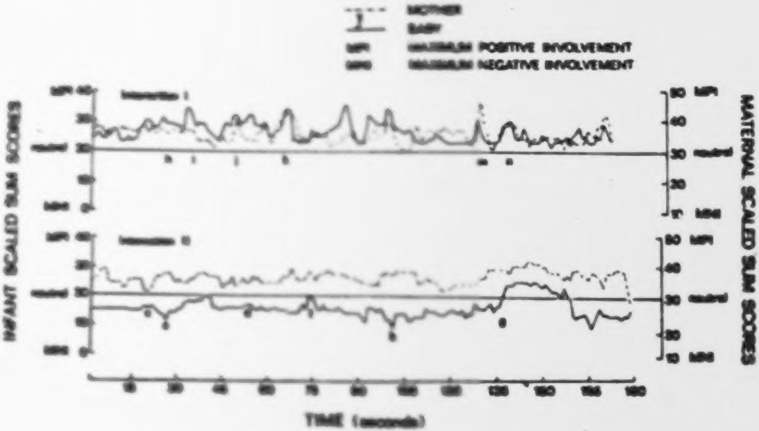

Figure 2. Well-Modulated Synchronous and Poorly Modulated Dissynchronous Interaction

As the state organization becomes differentiated and begins to be regulated, usually in the course of the first month, the next newly emerging expansion is that of the increasing differentiation of the alert state. The infant's social capacities begin to unfold. His ability to communicate becomes increasingly sophisticated. The repertoire of his facial expressions and their use, the range and use of vocalizations, cries, gestures, and postures in interaction with a social partner all begin to expand. On the basis of well-modulated state organization he can negotiate his new range and regulation of social interaction skills. Figure 3 is a schematic presentation of the parent-infant mutual feedback system (Als et al., 1979d).

Figure 4 shows the more detailed, second-by-second analysis of the interactions of an infant boy and his mother at 25, 46, 68,

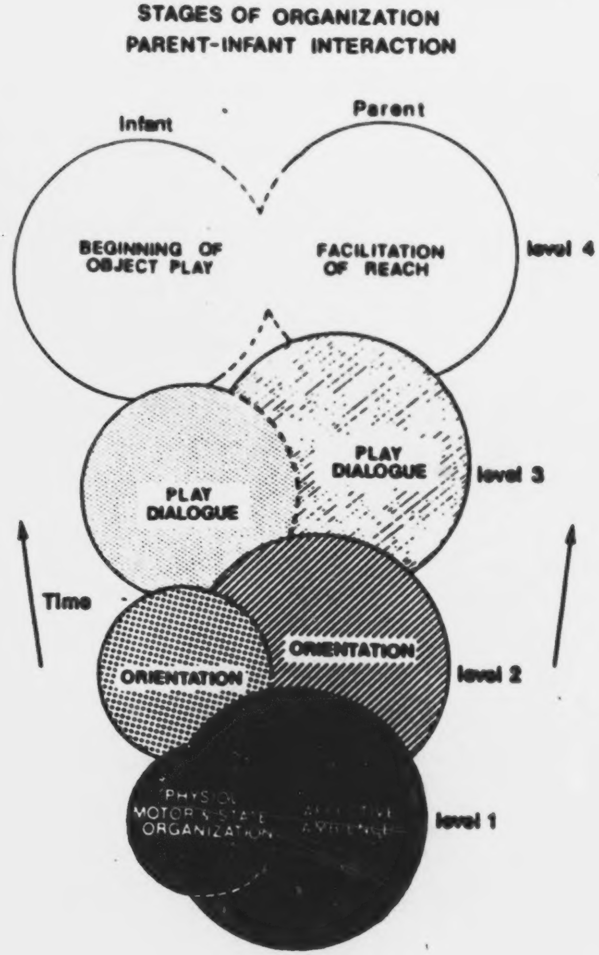
STAGES OF ORGANIZATION
PARENT-INFANT INTERACTION
Infant
Parent
BEGINNING OF OBJECT PLAY
FACILITATION OF REACH
level 4
PLAY DIALOGUE
PLAY DIALOGUE
level 3
Time
ORIENTATION
ORIENTATION
level 2
PHYSIOL MOTOR & STATE ORGANIZATION
AFFECTIVE
level 1

Figure 3

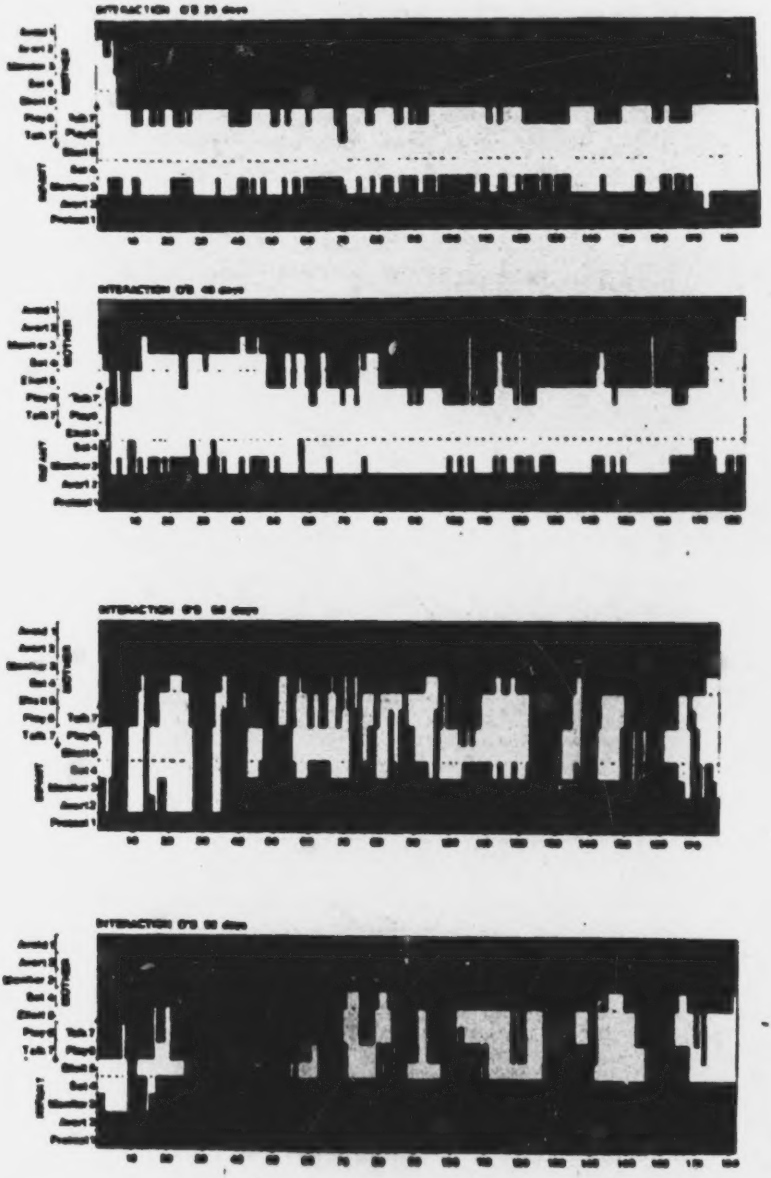

Figure 4. Developmental Changes of Infant-Mother Interaction over the First 3 Months

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and 92 days (Als, 1979b; Als et al., 1979c). The infant's behavior is represented on the lower part of each subgraph, the mother's behavior on the top part of each subgraph. The partners' displays are graphed in mirror images of one another, presenting six states of interaction for each participant. The states are scaled to range from displays strongly directed away from the interaction, such as protest, avoid, and avert, through displays mildly directed toward the interaction, such as monitor and set, to displays strongly directed toward the interaction, such as play and talk. The closer the partners' respective positions to one another are on the graph, the more in heightened synchrony they are with one another; the farther away from one another on the graph their respective positions are, the more interactively distant they are from one another. More details of the analysis system and the scoring manual have been described by Als et al. (1979b).

At 25 days, the infant moves mainly from cautious monitoring back to averting, then attempts to monitor again.

By 46 days (about 6 weeks), the infant can repeatedly maintain a quiet, brightly alert, oriented state, labeled "set," toward the mother in this situation, and the newly emerging coo and play phase is beginning to be apparent in the initial sally. The mother's range has also widened by 6 weeks. She moves from intermittent averting, via monitoring, to eliciting and playing. The urgency of continuous prompting and organization exhibited in the tight cycling between eliciting and playing of the earlier interaction is no longer as intense. The infant has become more flexible, and the mother can leave some of the self-modulation up to him.

By 68 days (about 2 months), the infant's organization has become increasingly differentiated, moving initially between protest and play, and then, from 35 seconds on, between the phases monitor, set, play, and talk, until the very end, when he averts again. The repeated cycling through play and talk indicates the full emergence of the new differentiation of his alert state. He is now capable of engaging in interaction with a rich repertoire, integrating smiling and cooing, and he repeatedly achieves an amplitude of affective organization not previously attained. The mother simultaneously expands his peaks, and they achieve a high level of affective interlocking. She spends more time in set than before, indicating her expectant readiness for play and increasing ability to let him take the lead.

By 3 months (about 92 days), this new achievement of differentiation has become more solidified, as is indicated in the prolonged play episodes of the infant and the new baseline at set. The mother's new base is also at set with prolonged cycles through play and talk, indicating her confidence in the infant's self-regulation.

Figure 4 shows that the infant's homeostatic curve has literally moved up by two phases, from averting and monitoring at 25 days, with its peaks at set by 46 days, to its base at set and its peaks at play and talk by 3 months. The wave lengths of the homeostatic curve have also considerably increased, pointing to the smooth reintegration of the recent differentiation of both partners, now ready for new expansion of an increasingly solidifying base. This system thus gives us a way of documenting and quantifying the progress of early infant development within the matrix of social interaction, for the normal infant.

The model for the successful mutual negotiation of reciprocity and emergence of autonomy has previously been described by us (Als and Brazelton, 1978; Als et al., 1979d). First, the parent provides a specific and direct approach to the infant. Early on this may necessitate tactile and auditory and visual inputs of a very specific kind. Once the infant is oriented to the parent, the parent expands the affective and attentional ambience to maintain the infant's state. The infant begins to reciprocate with his ways of interaction. The parent maintains this interaction and gradually builds toward expanding it to include the next achievement, such as, early on, the mere maintenance of alertness, then the achievement of reaching out to sound. Once the new achievement has occurred—for instance, the infant has smiled or cooed—the parent acknowledges the achievement profusely, making time for it to become realized by the infant as an achievement and to become integrated into the current structure of competence. The expansion of current limits thus requires the sensitive gauging of the affective base necessary and the appropriate timing of the next step. It is a process of balancing the lending of support with reaching for the next level. It requires the parents' willingness to risk stressing the system when in balance and dealing with the resultant disorganization. When the limits are exceeded and disorganization results, the parent has to maintain perspective on the process and go back to that layer which currently ensures secure reorganization. Once back on base, the expansion process can begin again. The layers of interaction are thus passed through over and over again.

We think there are four clear stages of development implied in this interactive model (Als and Brazelton, 1978; Als et al., 1979d):

1. The infant achieves homeostatic control over input and output systems; i.e., he can both shut out and reach out for single stimuli, but then achieve control over his *physiological systems and states.*

10 days

2. Within this controlled system, he can begin to attend to and use the social cues to *prolong his states of attention* and to accept and incorporate more complex trains of messages. 10-30 days

3. Within such an entrained or mutual reciprocal feedback system, he and the parent begin to press the limits of (a) his capacity to take in and respond to information, and (b) to withdraw to recover in a homeostatic system. The sensitive adult presses him to the limits of both of these and allows him time and opportunity for the *realization of his having incorporated them as part of his own repertoire.* The mother-infant "games" described by Stern (1974) are elegant examples of the real value of this phase as a system for affective and cognitive experience at 3 and 4 months.

1-3 mon

4. (This phase is perhaps the real test of attachment.) Within the dyad or triad, the baby is allowed to demonstrate and incorporate a sense of his own autonomy. At the point where the mother or nurturing parent can indeed permit the *baby* to be the *leader or signal-giver,* when the adult can recognize and encourage the baby's independent search for and response to environmental or social cues and games—to initiate them, to reach for and play with objects, etc.—the small infant's own feeling of competence and of voluntary control over his environment is strengthened. This goal of competence harks back to the first stage and completes at a more complex level of awareness the full circle of feedback to self-competence in dealing with inner and outer feedback systems. We see this at 4 to 5 months in normal infants during a feeding—when they stop to look around and process the environment.

4½ month

When a mother can allow for this and even foster it, she and the infant become aware of his burgeoning autonomy. In psychoanalytic terms, his ego development is well on its way!

In summary, this model of development is a powerful one for understanding the reciprocal bonds that are set up between parent and infant. The feedback model allows for flexibility, disruption, and reorganization. Within its envelope of reciprocal interaction, one can conceive of a rich matrix of different modalities for communication, individualized for each pair and critically dependent on the contribution of each member of the dyad or triad. There is no reason that each system cannot be shaped in different ways by the preferred modalities for interaction of each of its participants, but each *must* be sensitive and ready to adjust to the other member in the envelope. And at each stage of development, the envelope will be different—richer, we would hope.

We regard these observations as evidence for the first stages of emotional and cognitive awareness in the infant and in the nurturing "other." A baby is learning about himself, developing an ego base. The mother and the father who are attached to and intimately involved with this infant are both consciously and unconsciously aware of parallel stages of their own development as nurturers. We, as professionals interested in fostering this early development, must begin to look for and to see these ingredients in the first few months and recognize the power of real reciprocity as we set up an intervention. For we feel that we have been stuck for too long in a nonreciprocal "therapeutic" model of judgments, of criticism, of looking for pathology and ignoring strengths in a mother-father-infant triad. If we can visualize the interaction as flexible and our role as supportive to the envelope, perhaps we can begin to utilize the available energy and the strengths at a time when we can help the dyad or triad right the interaction. Within this model of looking for and having expectation for recovery, we feel we can more often create a self-fulfilling prophecy, or Rosenthal (1966) effect, with mother-infant and father-infant pairs, and we will support them toward a rewarding and internalized system of success.

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TELEPHONE: (203) 432-4969

MAIL: 92A YALE STATION, NEW HAVEN, CONNECTICUT 06520

TELEX: 963531 CABLES: YALEPRESS

September 28, 1984

Mr. George Elsen
U.S.House of Representatives
Select Committee on Children,
Youth, and Families
385 House Office Bldg. Annex 2
Washington, D.C. 20515

RE: "The Psychoanalytic Study of the Child" by Dr. Brazelton (1979)

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Yours sincerely,

Ann S. Bujalski

Ann S. Bujalski
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September 7, 1984

Claire Etaugh, Ph.D.
1200 North Institute Street
Peoria, Illinois 61606

Dear Dr. Etaugh:

In addition to the questions asked during our hearing this week, Congressman Dan Coats has requested that the following questions be answered for inclusion in the record of the hearing.

1. Do you believe that the majority of research conclusions currently available can safely be generalized to the day care situations most infants typically experience?

2. Much of the testimony on the effects of day care has focused on intellectual and emotional consequences. Yet, there is research that shows that children in day care differ from home reared children in terms of social development. Please comment on the effects of day care on social development (i.e., orientation towards adults and children, aggression, social skills).

3. What are some of the factors (variables) that have not been considered in research paradigms but in a practical way have implications for policy makers? In other words, what don't we know about the effects of day care?

4. Do children when they reach their teen years who have experienced nonmaternal care over extended periods of time tend to view authority or establish personal relations differently than those who have had maternal care throughout most of their lives?

5. Given the limitations of empirical tests concerning social-emotional development — how much confidence can we have in studies that show no adverse effects on infants due to early separation?

The deadline for material to be included in the record is Friday, September 14. The Committee, therefore, would appreciate receipt of your answers by that date.

On behalf of the Members of the Select Committee on Children, Youth, and Families, I want to thank you for your testimony.

Sincerely,

GEORGE MILLER
Chairman
Select Committee on Children,

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Responses of

Claire Etaugh, Ph.D.

Chairperson and Professor of Psychology

Bradley University

to questions of

Congressman Dan Coats

for inclusion in the record of the hearings

"Child Care Services: What Can be Done?"

held by the

United States House of Representatives

Select Committee on Children, Youth, and Families

Submitted September 12, 1984

1. Do you believe that the majority of research conclusions currently available can safely be generalized to the day care situations most infants typically experience?

Most day care research has been conducted in settings that are *not* representative of those in which children typically receive care. The majority of studies have evaluated high-quality university-based day care centers. Yet only 15 per cent of day care occurs in centers and most of these centers are *community*-based. We do not know very much about children cared for in someone else's home or in their own home by someone other than their mother. Does this mean that the majority of research conclusions currently available cannot be generalized to typical day care situations? I believe that some generalizations *are* possible. For one thing, recent research is beginning to evaluate effects of average-quality, community-based programs, including family day care. Of equal or greater importance, the research focus has shifted from "day-care versus home-rearing" comparisons to an examination of how *specific conditions* of day care quality affect children. Studies are finding that conditions of high-quality care include small group size and fewer children per caregiver, as well as caregivers who are caring and responsive to children, who provide intellectual and verbal stimulation, and who have training in child development. Furthermore, research shows that variations in the quality of care *within* a particular type of setting are more important than the type of setting itself. In other words, high-quality care--whether in centers or day care homes-- is associated with favorable child outcomes while lower-quality care--wherever it is found--produces less favorable outcomes.

We know that day-care homes are the most frequent setting for nonmaternal care. The National Day Care Home Study (Fosburg, 1981) found that licensed day-care homes generally were superior in quality to unlicensed homes. The best homes were those sponsored or supervised by a community agency, and belonging to a network of day-care homes. The important point is that we are now beginning to evaluate the day care situations children typically experience in the light of what we are discovering about the conditions which constitute quality care.

2. Much of the testimony on the effects of day care has focused on intellectual and emotional consequences. Yet, there is research that shows that children in day care differ from home reared children in terms of social development. Please comment on the effects of day care on social development (i.e., orientation towards adults and children, aggression, social skills).

Studies generally have found that children in day care are more likely to interact with peers and adults in both positive and negative ways than are home-reared children. On the positive side, day care children are more self-confident, outgoing, independent, helpful and cooperative. On the negative side, they may also be more aggressive, and less compliant. Some researchers interpret both the increased positive and negative social interactions of day care children as evidence of social competence or maturity, since both kinds of behaviors normally increase throughout the preschool years. But perhaps the most important question is whether these differences in social interaction are permanent or just a temporary acceleration of social maturity (see Clarke-Stewart & Fein, 1983). The research to date suggests that while differences in social interactions may still be in evidence in the early elementary school years, they decrease over time.

Do differences in the social behaviors of day care and home-reared children carry over into adolescence? This question cannot as yet be answered because there is so little research on the long-term effects of day care. (See response to Question 4 for more details.) One study of adolescents and another of preadolescents found no differences in the social behaviors of those children who had experienced day care and those who had not. One study of adolescents did find that boys who had experienced day care were more sociable, but also more nonconforming, than boys who had been home-reared. The social behavior of girls was esentially unaffected by day care. The answer to the question of whether day care effects on social development are permanent or merely temporary must await further long-term research.

3. What are some of the factors (variables) that have not been considered in research paradigms but in a practical way have implications for policy makers? In other words, what don't we know about the effects of day care?

One important factor which generally has been disregarded in day care research is that day care children are much more likely than home-reared children to come from single-parent, working mother families. We need to do more research to determine to what extent any differences between day care and home care groups can be attributed to these family characteristics rather than the child care arrangement itself. In other words, we need to adjust our research paradigms to reflect what we know about how the social world is organized (Cross & Cochran, 1983). Some of the research questions we need to ask in this area are: Do children in single-parent families respond to day care center and day care home environments in the same ways that children from two-parent families respond? Would the social behavior of these children be altered by the inclusion of men as caregivers? Does caregiver knowledge about family circumstances affect the ways that a child is treated at the center or in the day care home?

Still another factor with important implications which has been largely ignored is what kind of care children are receiving in those settings where most day care occurs, namely, in day care homes and in the child's own home by a nonrelative or a relative other than the mother. It is estimated that 90 per cent of day care homes are "underground" (i.e., unregulated) and therefore difficult to study.

An additional question which needs to be explored is what type of child care arrangement is best for children of a given age. This is a question with enormous policy implications. Some child care experts are recommending infant care leaves to allow the infant to remain in parental care for 6 months or so, followed by family day care until the child is 2 or 3 years old, and then center-based care until age 5. But these recommendations are based on a very limited research foundation.

Finally, very few day care studies have systematically addressed the issue of gender differences. We need to ask whether boys and girls have different kinds of experiences in particular day care settings, and whether the effects of day care and of various conditions of care differ for the two sexes.

So, there is much day care research still to be done, and from it we can learn a great deal about those conditions of care which are most supportive of children's development. But we must ask the right questions. Do children when they reach their teen years who have experienced nonmaternal care over extended periods of time tend to view authority or establish personal relations differently than those who have had maternal care throughout most of their lives?

There is very little research on the long-term effects of day care through adolescence. Moore (1975) studied British adolescents who had experienced either exclusive care by their mothers up to age 5 or some form of day care. For girls, the type of care made little difference in their social or personal adjustment. Boys, who had been exclusively home-reared up to age 5 showed greater self-control and conformity, less assertiveness, and more timidity with peers than boys who had experienced day care before age 5. The boys who had been in day care were more active and more sociable with their peers, but they also had more differences of opinion with their parents and were more nonconforming. Moore concluded that although exclusive mothering and nonmaternal care might produce _different_ personality patterns in boys, neither pattern necessarily reflected better adjustment.

Another study of lower-class adolescents living in New York City (Collins, 1975) found that children whose mothers had been employed for all or most of the child's life did not differ in personality adjustment from those whose mothers had not been employed. More specifically, the two groups of adolescents were equally conforming to rules and regulations, equally sharing and helpful, and equally independent and self-assured.

One longitudinal study of day care in Sweden (Cochran, 1977; Cross & Cochran, 1983) has followed the social development of children who either attended day care centers full-time as infants and toddlers or who were in home settings with their mother or another caregiver. These children are not quite teenagers yet. But in the latest followup, when the children were 9-10 years old, no differences were found between the groups on measures of social participation, social knowledge or interpersonal skills.

The somewhat conflicting results of these studies suggest that as day-care children and home-reared children grow up, they may not differ appreciably in terms of conformity to authority or social relationships. And, where differences do appear (as in Moore's study), they are within the normal range of behavior. A key issue here concerns the goals that parents and society have for their children. If it turns out that day care _does_ lead to somewhat greater assertiveness and noncompliance but also enhances social and intellectual skills, is that a tradeoff we are willing to make?

5. Given the limitations of empirical tests measuring social-emotional development -- how much confidence can we have in studies that show no adverse effects on infants due to early separation?

First of all, one must ask what it means when no differences are found between children in day care and those in maternal care. It may mean that the two types of care in fact have similar effects on children. But it could mean that the measuring instruments simply weren't sensitive enough to detect differences. The concept of maternal attachment is a good example of a central aspect of emotional development which is complex and difficult to assess. Most reviewers have concluded from the available evidence that day care does not impair the child's attachment to the mother. But is it possible that there are subtle differences in the quality of maternal attachment of day care children and home-reared children? The answer to this question seems to depend in part on which measure of attachment you look at. Three different measures of attachment have been studied: the child's reaction to separation from the mother, the amount of physical proximity and contact the child maintains with the mother, and the child's response to reunion with the mother following a brief separation. Differences between day care children and home-reared children have been found on some of these measures in some studies. Day care children are not more likely than home-reared children to be anxious or angry upon reunion, or to protest mother's departure, but they may avoid her more after a brief separation and sometimes spend less time near her. (Clarke-Stewart & Fein, 1983). But there is disagreement among researchers as to what these differences in avoidance and physical nearness mean. Do they indicate that day care children are more maladjusted, as some have suggested? Or do they indicate that these children are developmentally advanced, because they are showing independent behavior at an earlier age?

Another word of caution is in order regarding studies that show no adverse effects of infant day care. We must always be careful to specify the conditions under which any outcome was obtained, whether it be positive, negative, or neutral. For example, the Bermuda studies of Schwarz and Scarr indicate that center-based care for infants under age 2 years can have positive or negative effects depending upon such variables as group size, total time in group care, and age when group care began. The Bermuda studies also indicated that the effects of various child care arrangements may become so overshadowed by the effects of later experiences that they are undetectable at school age (Schwarz, 1983). By the same token, "sleeper effects" also are possible. That is, the effects of an early experience may not show up until later in the child's life.

So, we must be cautious in interpreting the research findings on day care effects. The degree of one's confidence in the available data depends in part on how consistent the patterns of results are. To the extent that a large number of studies fairly consistently suggest no adverse effects of day care (at least under certain conditions), to that extent we can have confidence in the validity of the results. The data on center-based care for infants under one year of age is still sparse, however, and the evidence is mixed. So I would recommend caution in drawing any firm conclusions from that still small body of research.

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Prepared Statement of Thomas J. Gamble, Ph.D., Erie County Office of Children and Youth; Yale University Bush Center for Child Development and Social Policy

During the past three decades the most striking demographic change in American society has been the number and percent of women working outside the home. A majority of mothers with school aged children are now in our nation's workforce. Current estimates by the Urban Institute indicate that by 1990, 75% of all American mothers will work. The last decade in particular has witnessed a phenomena which can only be described as a new social form. Our nation's families are now placing infants as young as three weeks of age into out-of-home child care facilites. In terms of percent increase infant day care is currently the fastest growing type of supplemental care in the United States. We must be very clear at the outset that the second worker in most two worker families works out of economic necessity. As pointed out by Morgan (1983) "The bulk of families in America's middle-income population has achieved their basic standard of living by dual job earnings" (p.255). Given this situation it is an urgent public policy matter to determine the consequences of infant day care and to propose reasonable options for families in which both parents must work.

The concern of many parents about the possible impact of infant daycare has been shared by large numbers of workers in the medical and behavioral sciences. Some very prominent workers have highlighted the potentially damaging effects of very early out-of-home care, (Ainsworth, 1979; Fraiberg, 1977). Equally prominent workers have advanced views in which infant daycare is viewed as being essentially benign (Kagan, et. al.1978; Rutter, 1982). The literature reviews which have been conducted to date (Belsky, in press; Belsky, Stienberg, and Walker, 1978; Kagan et. al., 1978; Rutter, 1982) find no strikingly negative consequences accruing to infants experiencing regular non-parental care.

However a major caveat has to be raised in regard to these findings. The findings are based almost entirely upon very high quality infant day care, delivered by universities to stable middle-class families. Since few parents have access to these high quality settings and since family stability cannot be assumed, much of the research conducted on infant care to date cannot be safely generalized to the day care situations most infants really experience. Professor Zigler, of Yale University, and I have reviewed the literature on infant day care taking particular note of those field studies in which quality is permitted to vary as it does in the real world, and in which the quality of family organization is also permitted to vary as it does in nature. We have found that for those families which suffer some disorganization, usually in the form of father absence, and for those families who are forced to use less than "university quality" day care, infant day care might be a less benign practice than it had previously seemed. We have also found interesting gender differences in regard to susceptibility to negative effects of infant day care.

Unlike many other reviews, our review is not interested in the effects of infant day care on cognitive functioning. Rather we focused on two aspects of social development. First on whether or not infant day care has effects on the quality of mother-infant attachment, and second, on whether it has implications for relations with peers and unfamiliar adults.

In regard to the quality of mother-infant attachment we find that those studies which were faithful to the psychometric properties of the best available assessment device (Ainsworth's Strange Situation), find some evidence of disturbed parent-child attachments as a result of such care. However, it is also abundantly clear that not all children experiencing out-of-home care in the first year of life develop insecure attachments. Even the most pessimistic results, those reported by Vaughn et. al., (1980) indicate that 53% of infants starting substitute care in the first year were identified as securely attached at 12 months. We have come to believe that familial stress may be implicated in the fact that out-of-home care has more powerful effects on some parent-child attachments than others. In fact stress is implicated in two ways: (1) It seems to affect whether or not out-of-home care produces insecure attachments and (2) It seems to be a major factor in predicting whether insecure attachments will lead to negative social-developmental outcomes. In regard to the effects of infant day care on the infants relationships with unfamiliar adults and peers, there seems to be a tentative concensus emerging that early group care may in fact have some fairly reliable effects. According to this concensus there is some evidence that children who have experienced early group care tend toward assertiveness, aggression, and peer, rather than adult, orientation. We have also found a large number of studies which indicate that male infants are more susceptible to the negative effects of infant day care than are females. Apparently "bond disruptions" are much more strongly associated with antisocial disorders in males than it females. This is not meant to downplay the liklihood that other, perhaps less apparent, negative consequences may accrue to females. However we have no strong evidence for this, and in fact some evidence even suggests that female infants thrive in substitute care arrangements. We believe that a great deal of caution should be exercised in interpreting the effects of infant day care on females.

In sum we find that the parent-infant attachemt system is resilient to short term, isolated, disruptions. However when stresses are prolonged or multiple, negative consequences of regular non-parental care in the first year of life become much more likely. A child's developing capacity to deal with peers and unfamiliar adults seems to be even more sensitive. It does appear that variations in infantile child-rearing, as occasioned by the infant day care commonly available in the United States, may lead to decreased conformity to adult standards, and increased aggression and appeals to corecion in males. No strikingly negative effects have been found accruing to females experiencing such care.

POLICY IMPLICATIONS

This review has led us to be less confident than many of our collegues about the benign effects of infant day care and about its promotion as the sole or major policy option available to working couples in the United States. Some of the reasons derive from the research briefly summarized above, but there are other reasons as well.

One of the other reasons has to do with difficulties in providing good quality infant day care. The conditions important to quality which are begining to emerge from the research include; highly involved staff, low infant to caregiver ratios, small group size, stability among caregivers and caregiver competence. It is clear that meeting these conditions is extraordinarily expensive. It would send the cost of infant day care upwards of $150.00 per week. If the state or federal government were to insist on such standards it would have the effect of making infant day care unavailable to the majority of those two worker families who so desperatly need two incomes. We, of course, believe that the government has as much or more of a responsibility in assuring the safety of the available infant day care as it has in assuring the safety of the products made available by pharmacuetical companies, or airlines. However, if government insists upon quality infant day care, and it certainly should, then it must also take action to to protect those families which are middle-class only because of their second income. We cannot afford, through inaction or design, to create a society in which young couples are forced to choose between a reasonable standard of living and having children. The weight of evidence and reason suggests that alternatives to infant day care should be made available to those working couples who would prefer more continuous parent-infant contact during the first months of life. We believe that the most promising alternative to infant day care is a policy of paid infant-care-leaves avialable to working parents during the first few months of their baby's life. Every industrialized Western nation with the exception of the United States makes some such policy available to its citizens. These leaves may be provided as part of a 'cafeteria' of benefits, and be part paid by employee as well as employer. They may also have the advantage of assuring that valued and well-trained employees return to their employer after the leave. A detailed analysis of such leaves is currently being conducted by the Bush Center for Child development and Social Policy at Yale University.

A policy of infant care leaves would constitute an important option for those working couples who remain convinced about the value and importance of extensive infant-parent contact during the first months of life. The evidence we have reviewed has convinced us that such parental concerns should not be facilely dismissed.

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PREPARED STATEMENT OF MICHAEL T. OSTERHOLM, PH.D., M.P.H., CHIEF, ACUTE DISEASE EPIDEMIOLOGY SECTION, MINNESOTA DEPARTMENT OF HEALTH; CLINICAL ASSISTANT PROFESSOR, DIVISION OF EPIDEMIOLOGY, UNIVERSITY OF MINNESOTA

Mr. Chairman, members of the Committee, I am Michael T. Osterholm, Ph.D., M.P.H., Chief of the Acute Disease Epidemiology Section of the Minnesota Department of Health and Clinical Assistant Professor in the Division of Epidemiology of the University of Minnesota. In addition, I recently served as the Chairperson of an international symposium held this past June in Minneapolis entitled, "Infectious Diseases in Child Day Care: Management and Prevention." I am pleased to appear before you today as a spokesperson for the Minnesota Department of Health and will attempt to present some of the findings of the international symposium in June. My testimony will focus on the causes of infectious diseases in child day care, what we know about their occurrence, approaches to prevention, some of the controversies that exist and the future directions that our efforts must take if we are to impact on this important problem.

Health care providers only recently have focused attention on the possible relationships between various infectious diseases and the day care milieu. This topic is of interest both to primary care physicians who treat children or adults with infections acquired in association with day care, and to public health authorities who are responsible for prevention and for monitoring and managing outbreaks of diseases that occur in these facilities.

CAUSES OF INFECTIONS

Prior to 1974, "Child day care" was not listed as a separate category in the *Index Medicus*. Since then, numerous articles concerning health problems of children attending day care programs have ranged from general health issues in child day care to a variety of specific infectious disease problems and pathogens (1-4). Nearly all infectious agents associated with common illnesses in young children have been observed in children in day care settings. Agents listed in Table 1 represent common causes of infectious disease, but a variety of other agents have also been reported in day care settings (5-24).

[Table 1]

Causes of Infections in Children in Day Care

Organ System or Condition	Common Agents
Respiratory tract[7,8]	Respiratory syncytial virus Parainfluenza virus Influenza virus Adenovirus
Gastrointestinal tract and liver[17-24]	*Shigella* sp *Giardia lamblia* Rotavirus Hepatitis A virus
Invasive bacterial disease	*Haemophilus influenzae*, type b *Neisseria meningitidis*
Skin	*Streptococcus pyogenes* *Staphylococcus aureus* Scabies (*Sarcoptes scabiei* var *hominis*) Lice (*Pediculus humanus* var *corporis* and *capitis*)
Multiple organ systems[9]	Cytomegalovirus Varicella zoster

PATTERNS OF OCCURRENCE

Most studies of infectious diseases involving child day care programs have been either retrospective evaluations of specific pathogens or investigations of recognized outbreaks. Only a limited number of studies have used a prospective approach to assess the occurrence of certain infections over time. More important, few published studies have concurrently compared the risk of infections among children attending and those not attending day care facilities. Thus, for most diseases, it remains speculative whether the relative risk of acquiring a specific infectious agent in day care programs is increased compared with the risk in non-day care settings.

Four patterns of disease occurrence caused by infectious agents among children in day care can be characterized (Table 2): (1) infections with manifestations occurring primarily among children attending day care facilities, and that only occasionally affect close family members or personnel (e.g., invasive *Haemophilus influenzae* type b disease); (2) infections caused by pathogens that commonly cause disease in both children and day care staff as well as close family members (e.g., shigellosis and giardiasis); (3) infections that may be inapparent among children attending day care, but that may have a major medical clinical impact on day care staff and on adult members of the children's families (e.g., viral hepatitis, type A); and (4) infections that may be inapparent among children attending day care facilities and their adult contacts, but that may have serious consequences for the fetus of pregnant contacts (e.g., cytomegalovirus).

HAEMOPHILUS INFLUENZAE TYPE B

Meningitis and other invasive diseases produced by this pathogen in day care programs are prototypes for infectious diseases that primarily affect young children. Although inapparent infection with *H. influenzae* type b may occur among individuals of all age groups, children less than 4 years of age are at greatest risk of developing invasive disease because they generally lack protective antibody.[25] In 1983, approximately 40% of all cases of serious *H. influenzae* type b disease in Minnesota occurred among children attending child day care facilities.[26] Although this study did not elucidate the relative risk of *H. influenzae* type b disease for children in day care centers, recent data from Colorado suggest that attendance at day care centers may serve to increase the risk of developing serious *H. influenzae* type b disease compared with that in children not attending day care programs.[27] One possible reason is an increased likelihood of exposure to this organism in the day care environment.

The risk of secondary disease among day care contacts of a child with a case is probably also higher than that among unexposed children of similar age in the general population, however, the magnitude of this risk is presently unknown and may vary depending on geographic location. Recent data from the prospective surveillance studies in Minnesota and Texas suggest that the risk is significantly lower than that reported for family-sibling contacts of a child with a case.[26,30] For this reason and because the efficacy of various preventive measures is unproven, management of day care contacts of a child with a case is currently controversial.[29]

[Table 2]

Patterns of Occurrences of Diseases in Child Day Care

Patterns of Occurrence	Examples
Manifestations of infection primarily in children attending day care facilities	*Haemophilus influenzae*, type b disease
Infection affects children, day care staff, and close family members	Shigellosis, giardiasis
Infection is inapparent in children attending day care facilities, but is likely to be apparent in the adult contacts	Hepatitis A virus
Infection is inapparent or mild in children attending day care facilities and in adult contacts, but may have serious consequences for the fetus of a pregnant contact.	Cytomegalovirus

DIARRHEAL DISEASE

Several enteropathogens have been documented to cause acute infectious gastrointestinal disorders among children in day care settings. Transmission of enteropathogens in child day care programs is facilitated by close person-to-person contact among children and by environmental contamination associated with young children who are not yet toilet trained. However, because of the low inoculum necessary to produce disease, *Shigella*, *Giardia lamblia*, and rotavirus infections are more common than other enteropathogens, for which larger inocula may be necessary.[23,24] In contrast to disease caused by *H. influenzae* type b, in which the clinical manifestations are nearly always limited to infants and young children attending the center, diarrheal illnesses associated with child day care may affect both infants and children in the center, their immediate family contacts, and adult personnel. Contamination of hands, communal toys, and other classroom objects may be important in transmission of enteropathogens in outbreaks of diarrhea in day care facilities.[31] In addition, personnel may transmit enteric pathogens in day care facilities through diapering and meal preparation.[32,33] Although mortality associated with diarrheal illness in the United States is low, acute infectious diarrhea is still a major cause of hospitalization of young children. In addition, this illness results in a substantial economic burden for parents and day care providers.

VIRAL HEPATITIS

Viral hepatitis, type A, is typically a mild illness in infants and young children but can cause substantial morbidity in adults. Hepatitis A virus is spread by the fecal-oral route. Transmission of viral hepatitis A among asymptomatic children in day care may be associated with subsequent spread of infection and occurrence of symptomatic disease in older family members, day care personnel, and other adults in the community. In two studies, 13% of 40% of reported cases of hepatitis A in the community had some form of association with outbreaks occurring in day care centers.[17,18] The presence of diaper-wearing children, particularly toddlers, is perhaps the most important factor associated with the spread of hepatitis A in day care facilities.

APPROACHES TO PREVENTION

Both primary measures that prevent infections from occurring and secondary measures that minimize spread of infection or reduce the clinical severity of a disease can be employed in the day care setting. Examples of primary prevention measures include use of vaccines and immune globulin preparations for susceptible persons who previously have not been exposed, and routine hand washing and environmental decontamination. Immunization against measles and other vaccine-preventable diseases is an established method for primary prevention. Vaccines currently under development against H. influenzae type b, hepatitis A virus, rotavirus, and other pathogens offer the prospect of primary prevention. Evidence suggests that hand washing programs in child day care facilities reduce the occurrence of diarrheal diseases.[33] Secondary prevention is best illustrated by the use of antibiotics to treat infections that are established or the use of chemoprophylaxis or immune globulin preparations among exposed contacts.

CONTROVERSIES

Controversies regarding infectious diseases in child day care programs can be considered under several categories which include regulatory and socio-economic as well as medical interests. Regulatory mechanisms that enable the detection, management, and prevention of infectious diseases in day care settings vary considerably by locality and by their intent and scope. The rationale for developing more uniform state and local regulations may seem apparent, however, this rationale is undermined by the lack of studies attempting to define the impact of regulations on the occurrence of infectious diseases in child day care. Such studies are desperately needed to better guide regulators in their efforts.

Resistance to regulations may also arise from the conflicts inherent between socioeconomic concerns and the effects of regulations. For example, a working parent may have little alternative to taking a child who is ill to a day care center, and that facility may benefit economically by providing care for that child. The issue of providing sick child day are deserves special attention since it is a reality that children develop infectious diseases regardless of their day care attendance status. However, at this time only limited information is available regarding the provision of sick child day, the economic costs and benefits of providing such care, and the risk to non-ill children in the same facility of developing illness.

FUTURE DIRECTIONS

As child day care utilization continues to increase, physicians, other health care providers, day care providers, regulators and parents will need to become more familiar with infectious disease problems that occur in day care settings. Effective control and prevention of these infections require prompt reporting of disease by health care providers and day care management, and rapid response by physicians and public health authorities. In addition, day care and health care providers and day care regulators should increase effects to characterize the epidemiologic features of infectious diseases in day care facilities and to develop more effective strategies of control and prevention in this setting. Examples of activities and efforts that might be considered for future development include: (1) improvement of the denominator data base for children attending day care centers and home day care, and those not in day care programs, to facilitate conduct of reliable epidemiologic studies; (2) development of prevalence and incidence data for different infectious agents in children attending day care programs; (3) educating day care providers concerning principles of disease transmission and training providers in methods of infectious disease prevention in the day care setting; (4) promulgation of uniform and acceptable local and state regulations as well as guidelines for management of day care contacts exposed to different infectious diseases; (5) development of surveillance systems to determine whether educational and training programs are effective in decreasing the incidence of disease; and (6) development of safe and effective immunizing agents to prevent common causes of infectious diseases in children attending day care facilities.

Each of these suggestions is dependent upon increased funding to support either research or implementation. Unfortunately, this basic requirement is constrained by a current general lack of available federal, state or private funding to support day care-related research. Consequently, many studies have been hampered by a limited number of personnel, by lack of the inclusion of suitable control groups, and by insufficient laboratory support. As the use of child day care continues to increase, however, we face a greater responsibility to define the impact of infectious diseases in this setting and to develop the best methods for their prevention.

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PREPARED STATEMENT OF RONALD A. PEARLMAN, ACTING ASSISTANT SECRETARY (TAX POLICY), DEPARTMENT OF THE TREASURY

The Committee has requested information on the extent to which the dependent care tax credit has been claimed by families at various income levels. The Administration is concerned about the affordability of dependent care costs, particularly for low income families. As part of the budget submission for fiscal year 1985, the Administration proposed a restructuring of the dependent care credit to provide greater financial assistance to low- and middle-income households. This proposal, however, was not contained in the recently enacted Deficit Reduction Act of 1984.

The Treasury Department is re-examining the dependent care credit as part of the tax reform study requested by the President. The overall goal of the study is suggest ways to reform and simplify the tax system so that all taxpayers can be treated more fairly. The objectives of tax reform include improved compliance and a broader tax base so that tax rates can be lowered. As part of this effort the Treasury is considering ways to increase the fairness of the tax treatment of families. The Treasury's recommendations, consistent with these objectives, will be reported to the President in December, 1984.

Before discussing the data on the use of the credit, I will briefly summarize present law, the history of the credit, and the Administration's 1985 budget proposal.

Present Law

Section 44A of the Internal Revenue Code allows a tax credit for a portion of qualifying child and dependent care expenses that are employment-related. The credit is targeted toward low- and middle-income taxpayers. The maximum credit is 30 percent of eligible employment-related expenses for taxpayers with adjusted gross incomes of $10,000 or less and phases down to 20 percent for incomes above $28,000.

Employment-related expenses are amounts paid for household services and the care of a qualifying individual which are incurred to enable the taxpayer to be employed. For example, qualifying household services include the cost of a housekeeper whose services are performed at least partly for the qualifying individual. Eligible expenses generally do not include expenses incurred outside the taxpayer's household. Nevertheless, such expenses may qualify for the credit in limited circumstances and will qualify if they relate to the cost of care provided at qualifying dependent care centers.

In general, a qualifying individual is 1) a dependent of the taxpayer who is under the age of 15 and for whom the taxpayer can claim a dependency exemption; 2) a dependent of the taxpayer who is physically or mentally incapable of taking care of himself or herself; or 3) a spouse of a taxpayer if the spouse is physically or mentally incapable of taking care of himself or herself.

The amount of expenses that are eligible for the credit is subject to a dollar limit and an earned income limit. Employment-related expenses are limited to $2,400 for one qualifying individual and $4,800 for two or more qualifying individuals. Thus, the maximum amount of credit for taxpayers with incomes of $10,000 or less is $720 per year for one qualifying individual and $1,440 per year for two or more qualifying individuals. For taxpayers with incomes above $28,000 the maximum credit is $480 per year for one qualifying individual and $960 per year for two or more qualifying individuals. The credit may not exceed tax liability.

The amount of expenses that are eligible for the credit is also limited by earned income. Eligible expenses cannot exceed the taxpayer's earned income, if single, or the earned income of the spouse with the lower earnings, if married. A special rule applies, however, if the taxpayer has a spouse who is a full-time student or is incapable of caring for himself or herself. In those instances, the spouse is considered to have earned income of $200 a month if there is one qualifying individual or $400 a month if there are two or more qualifying individuals. Married couples must file joint returns to claim the credit.

History of the Dependent Care Credit

Prior to the Tax Reform Act of 1976, an itemized deduction was allowed for qualifying expenses for household services and dependent care. The Act converted the deduction to a credit, but retained the basic rules for determining qualifying expenses with slight modifications.

Congress believed that an itemized deduction for dependent care expenses was too restrictive. It felt that these deductions should be made available to taxpayers who do not itemize deductions. Also, Congress believed that the tax benefit to be derived from the deductions should be the same for all taxpayers, regardless of income level. Thus, Congress converted the deduction to a credit.

The 1976 Act set the credit rate at 20 percent of employment-related expenses. These expenses were limited to $2,000 for one qualifying individual and $4,000 for two or more qualifying individuals. The maximum credit was $400 per year for one qualifying individual and $800 per year for two or more qualifying individuals. The credit could not exceed tax liablilty. Also qualifying employment-related expenses could not exceed earned income of an unmarried individual or the earned income of the lower-earning spouse, if married. Married taxpayers had to file a joint return to claim the credit.

The Economic Recovery Tax Act of 1981 increased to their present levels the credit percentage for low- and middle-income taxpayers and the ceiling on eligible exployment-related expenses. The increase in the credit from 20 percent to 30 percent was targeted to low- and middle-income taxpayers by phasing the credit down for incomes above $10,000. Congress believed that targeting the credit was necessary, because low- and middle-income taxpayers were in greatest need of relief. The ceiling on eligible expenses was increased, because dependent care costs had increased since the credit was enacted in 1976.

Administration's Proposal

In the budget submission for fiscal year 1985, the Administration proposed a restructuring of the dependent care credit to target it more effectively to low- and middle-income households. Under this proposal the rate of credit for employment-related dependent care expenses would be increased to 40 percent for taxpayers with adjusted gross income under $11,000. The credit percentage would decrease as income increases, so that the rate of credit would be zero when adjusted gross income reaches $60,000. The limit on expenses eligible for the credit would not change, and the credit could not exceed tax liability.

The effect of the Administration's proposal would be to increase the maximium dependent care credit available to taxpayers with incomes under $40,000 and to reduce the maximum credit available to taxpayers with incomes of $41,000 or more. The maximum credit would not change for taxpayers with incomes between $40,000 and $41,000. Taxpayers with incomes of $60,000 or more would not be eligible for a dependent care credit.

Distribution of the Dependent Care Credit

Table 1 sets forth data regarding the tax returns on which the dependent care credit was claimed for 1982. Over 5 million returns (about 6.8 percent of total returns) claimed dependent care credits of about $1.5 billion, with the average credit claimed being about $300.

Most of the credit was claimed by low- and middle- income taxpayers. About $285 million or almost 20 percent of the total credit was claimed by taxpayers with incomes under $15,000. About $1.1 billion or almost three-fourths of the total was claimed by taxpayers with incomes between $15,000 and $50,000. About $111 million or about 7 percent of the total credits was claimed by taxpayers with incomes of $50,000 or more.

The share of the credits claimed by low- and middle-income taxpayers was high relative to their share of the total income and tax reported on returns with a dependent care credit. Although taxpayers with incomes under $15,000 accounted for about 7 percent of the AGI and 2 percent of the income tax, they claimed about 19 percent of the credits. Although taxpayers with incomes under $50,000 claimed 93 percent of the credits, they accounted for about 84 percent of the AGI and 75 percent of the tax for returns claiming the credit.

Table 2 shows the estimated effect of the Administration's proposed change in the dependent care credit on tax liabilities. About 3.8 million returns with incomes under $40,000 would experience a decrease in tax of about $327 million. The average tax decrease would be about $87. Taxpayers with incomes under $20,000 would receive about 20 percent of the total decrease and those with incomes under $30,000 would receive about 70 percent of the total decrease.

The proposed change in the credit would increase tax liabilities of taxpayers with incomes over $41,000. Table 2 shows that about 747 thousand taxpayers would experience a tax increase of about $122 million. The average tax increase would be about $163. About three-fourths of the increase would be experienced by taxpayers with incomes of $50,000 or more, because the credit phases-down and phases-out when income reaches $60,000.

Table 1
Adjusted Gross Income, Income Tax, and Dependent Care Credit for Returns Claiming The Dependent Care Credit by Adjusted Gross Income Class for 1982 1/

Adjusted gross income class	Number of returns	Cumulative percent of returns (percent)	Adjusted gross income ($ millions)	Cumulative percent of AGI (percent)	Income tax ($ millions)	Cumulative percent of income tax (percent)	Dependent care credit ($ millions)	Cumulative percent of credit (percent)
Under $5,000	10,702	2.1	48	*	**	*	1	0.1
$5,000-under $10,000	280,328	5.8	2,264	1.6	26	0.2	74	5.0
$10,000-under $15,000	581,065	17.4	7,228	6.6	330	2.0	210	19.0
$15,000-under $20,000	642,705	30.2	11,153	14.3	798	6.5	203	32.5
$20,000-under $30,000	1,422,208	58.7	35,405	38.7	3,415	25.6	397	59.0
$30,000-under $40,000	1,124,671	81.2	38,976	65.6	4,878	52.9	320	80.3
$40,000-under $50,000	604,349	98.8	26,736	84.1	3,885	74.7	184	92.6
$50,000-under $100,000	311,959	99.5	18,958	97.2	3,318	93.3	100	99.3
$100,000 or more	25,652	100.0	4,122	100.0	1,195	100.0	11	100.0
Totals	5,003,639		144,890		17,846		1,501	

Office of the Secretary of the Treasury
Office of Tax Analysis

August 23, 1984

1/ Preliminary data
* Less than 0.1.
** Less than $1 million.

Table 2

Effect of Administration's Proposed Change in Dependent Care Credit on Tax Liability (1982 levels)

Adjusted gross income class	Current law: Number of returns (thousands)	Current law: Tax liability ($ millions)	Administrations's proposal: Number of returns: with change in tax liability (thousands)	Administrations's proposal: Change in tax liability ($ millions)
Under $5,000	0	0	0	0
$5,000-under $10,000	70	-25	159	-6
$10,000-under $15,000	316	172	316	-32
$15,000-under $20,000	608	639	608	-64
$20,000-under $30,000	1,498	3,287	1,498	-164
$30,000-under $40,000	1,190	4,521	1,184	-61
$40,000-under $50,000	527	2,989	421	30
$50,000-under $100,000	308	2,956	305	83
$100,000 or more	23	975	21	9
Totals	4,539	15,513	4,512	-206

Office of the Secretary of the Treasury
Office of Tax Analysis

August 21, 1984

PREPARED STATEMENT OF DIANA ROTHBERG, PRESIDENT, ASSOCIATION OF PART-TIME PROFESSIONALS

The Association of Part-Time Professionals (APTP) is a national, non-profit membership organisation that promotes employment opportunities for qualified men and women interested in part-time professional positions. We advocate pro-rated salaries and employee benefits for part-timers.

Our experience over the past six years shows that women especially want more part-time employment -- and at professional, managerial and technical levels. In a survey of APTP members, 48 percent of the female respondents checked "parental responsibilities" as their most important reason for working part time.

National data support the conclusion that millions of Americans choose to work part time and more would if they could:

- Over 12 million Americans in 1983 worked part time voluntarily, or 13 percent of persons at work in non-farm industries. Women were more than twice as likely as men to want part-time work. Voluntary part-timers in 1983 included 8,753,000 women and 3,594,000 men.

More than 20 percent of women who do work choose part time. This contrasts with only seven percent of men in voluntary part-time slots.

- Louis Harris surveys in 1984 and 1980 asked women: If you had enough money to live as comfortably as you'd like, would you prefer to work full-time (for pay), work part-time (for pay), do volunteer-type work, or work at home caring for the family? The responses were:

	1984 *	1980 **
Work full-time (for pay)	19	12
Work part-time (for pay)	30	32
Do volunteer-type work	14	14
Work at home caring for family	35	39
None of the above	1	1
Not sure	1	2

* Survey conducted for Ms. Magazine.
** Survey conducted for General Mills, Inc.

- An article in GUIDEPOSTS Magazine (May 1984) on one mother's anguished move from full-time employment through unemployment to the final, happy solution of part-time employment brought in 17,000 requests for help. This was the largest response to an article ever enjoyed by the magazine (circ. two million).

Employers who use part-time workers uniformly report more positive reactions to the part-time option than employers without part-time staff. Benefits to employers from part-time employees include: increased productivity, reduced absenteeism and sick leave, valuable employees retained, more precise matching of skills to tasks, scarce talent recruited, greater flexibility in work scheduling, upgrading skills of current employees, reduced burnout and better employer-employee relations.

The deterrents to more part-time employment were summarized by Bureau of Labor Statistics Commissioner Thomas Plewes in an address to the first National Conference on Part-Time Employment, sponsored by the Association of Part-Time Professionals:

> Although part-timers earn less than full-timers because they work fewer hours, it is also true, but less obvious, that on an average, part-timers earn considerably less per hour than do their full-time counterparts — $3.88 versus $6.44 in 1982. This wage gap arises less because employers pay part-timers a lower rate for the same work (though many do), than because part-timers seem to be relegated to lower paid sectors. In addition, part-time workers are concentrated in occupations noted for fast worker turnover. Jobs with fast turnover are infamous for low wages and difficult working conditions, with a lesser investment in labor training and fringe benefits than other jobs.

Our recommendations for overcoming these and other deterrents to part-time employment include:

1. More part-time employment opportunities in higher-paid occupations. Day care facilities, for example, could improve the quantity and quality of their staffs if they permitted and actively recruited part-time employees for their professional and paraprofessional vacancies.

2. Development of information and referral services on part-time employment, using the work of the White House Office of Private Sector Initiatives as a base.

3. Greater employer acceptance of pro-rated benefits for part-time employees, including flexible benefits plans.

4. Development of career ladders and training opportunities for part-timers.

5. Special attention to the child care needs of parents who work part time. Day care facilities should permit parents to leave their children for part of the week and/or part of the day.

6. Clarification of, and changes in, pension rules to encourage phased retirement and the hiring of retirees as part-time employees.

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The Family

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SUZANNE H. WOOLSEY

Pied Piper Politics and the Child-Care Debate

I

PUBLIC DISCUSSION OF FEDERAL POLICY toward day care for children has been carried on at high volume for at least a decade with remarkably little progress in either defining the issues or analyzing the evidence. The fervor with which various positions are espoused indicates that this is an issue of great moment, yet a thoughtful listener to the rhetoric on both sides would often be hard pressed to explain exactly what the shouting is about. Indeed, the discussion seems at times to have been translated into a sort of code, to be understood only by the participants.

The day-care debate is in fact about a number of things, many of which are only tangentially related to the extra-familial supervision of young children. Positions on day care have become, for a number of the combatants, proxies for inarticulated beliefs about many other aspects of family functioning. Both advocates and opponents of increased federal subsidies for child care seek to make that particular vehicle carry a very great deal of freight. The result is a jumble of arguments, based on impressions about a number of intractable and complex social problems related to families across the income scale, and about the role of day care in curing those ills.

The cause of day-care supporters has become a banner behind which an unusually diverse coalition has rallied. It includes, among others, "workfare" conservatives, unemployed teachers, the women's movement, professionals in child development and social welfare, and entrepreneurs looking for a new growth industry. Both the underlying philosophies and the specific objectives of these diverse groups differ widely, and in some cases are even in conflict. One of their few points of agreement is that expanded federal support for day care outside the family is a *Good Thing*. OK

The coalition actively opposing expanded federal day care is also a potpourri, although perhaps one with somewhat fewer ingredients. Opponents are generally suspicious that what is being sold them is a nineteen-seventies' version of *Walden Two*. They include fiscal conservatives who are trying to limit federal outlays; those who believe, for a variety of reasons, that mothers should stay at home with their young children; and a reactionary fringe that sees federally sponsored day care as the entering wedge of a government takeover of all children. When President Nixon vetoed the 1972 Child and Family Services Act, his veto message, reflecting these conservative views, complained that the

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act would place the weight of federal authority on the side of communal child-rearing as against family-centered child-rearing.

When these uncomfortable coalitions mount the arguments on either side, the most immediate casualty is clarity of communication. To specify objectives—what form of day care, for which children, financed through which institutional structure, employing what sort of staff—would undermine team spirit and is thus avoided. Similarly, citing evidence in support of one objective or another is likely to spotlight the deficiencies in the argument of an ally; fuzzy general assertions do not create this problem. Professional politicians also welcome vagueness, especially on an issue related to such a politically delicate and emotionally charged question as the government's impact on the family. Virtually everyone is, or has been, part of a family and therefore considers himself expert on the subject and holds strong opinions about it.

But it is not only the politicians and interest groups who are fuzzy about the issues. Academic research has also found it difficult to come to grips with the complex questions surrounding day care, although for rather different reasons. This might seem surprising because, while it is evident that pluralist politics often require artful generalities, research is supposed to require the clear specification of criteria and the rigorous testing of hypotheses. Perversely, however, this rigor can produce confusion and incomplete treatment of many public-policy issues.

Complex social questions do not readily yield to the scientific method, and they frequently require analyses by different disciplines. Researchers thus commonly assume away large portions of an issue so they can limit their analyses to experimental or theoretical manipulation of a very few variables. Naturally, the variables chosen tend to be the ones more amenable to inquiry by one's own methodological tools, while those assumed away are the ones some other discipline is supposed to be more interested in. The cumulative effect of this is that, the more refined the methods become and the more limited to one specific discipline, the less likely they are to be understandable and applicable to work in other disciplines. Consequently, the assumptions one might use are likely already to have been rendered obsolete by research in other fields. In the minds of otherwise skeptical people the subliminal impression lingers that certain premises have been proven elsewhere when, in fact, they have not. They may either not have been dealt with at all, or they may well be the subject of intense debate.

This interaction between the politics of consensus, which leaves many points unstated, and the conceptual complexity of the issue, which discourages comprehensive and useful analysis, means that very little evidence about day care is brought to bear on federal policy. Existing information on current practice and on the type of child care families prefer—presumably a matter of at least some interest—is ignored. The debate often proceeds as if there were no such data, although the publicly available information on these subjects undercuts much conventional wisdom. Instead, arguments center on broad policy propositions such as the following three examples drawn from those frequently advanced in one form or another by proponents: (1) that day care is critical for giving women the opportunity to enter the work force; (2) that day-care centers are themselves good places to employ welfare recipients, and thus get them off the dole; and (3) that, given high enough standards, day-care centers can significantly enhance children's development. Arguments such as these are clearly seeking to use day care as a tool for achieving some other end—employment of women, reduction of welfare costs, and enhanced achievement of children. But they are rarely assessed in light of the data either. Our knowledge about such matters as the impact of day care on the work force, on welfare policy, and on child development is not perfect, but a great deal of information exists on those questions.

Neither the evidence on parental preferences in day care nor the evidence on day care as part of the solution for other social ills suggests that a single solution to the day-care problem should be promoted. Indeed, both parents' preferences and the various possible objectives of overall social policy seem to point to the importance of a healthy diversity of child-care arrangements. The data do not, however, support the contention that a heavy federal subsidization of institutional day care is desired by parents or would significantly promote other broad social goals.

Parental Demand for Day Care

The problem of estimating latent demand perennially haunts economic analysts dealing with many sorts of issues. To begin to understand that problem with respect to day care, one reasonable—though hardly rigorous—approach is to describe current patterns of child care and the costs which accrue to the parents and to the public now and to compare those data to the kind of child care parents say they would prefer and the price they would be willing to pay. Of course indications of preference and of the level of satisfaction with present arrangements are not as persuasive as actual changes in behavior. Some indication of how parents actually react when offered new day-care arrangements can be extracted from individual research projects.

CURRENT PATTERNS OF DAY-CARE UTILIZATION

Two historically distinct trends in day care have begun to merge in the last few years. One is the nursery school and kindergarten tradition, originally aimed at providing enriched experiences for children of middle- and upper-income families. Enrollment in those programs has expanded steadily in the past few years. A recent *Current Population Report* indicates that 14.5 per cent of 3 year olds and 34.2 per cent of 4 year olds were enrolled in nursery school in 1973.[1] Nursery school remains primarily a middle-class phenomenon, however: 24 per cent of 3-year-old children of white-collar workers were enrolled, but only 16 per cent of farm children and 8.2 per cent of those from blue-collar families.[2] Kindergartens for 5 year olds, on the other hand, have become a well-established part of the public school system in the past twenty years, with between 75 per cent and 80 per cent of all children attending.

The day-care movement traditionally consisted of philanthropic and, later, public support for programs to care for the children of—usually poor—working mothers. Rothman[3] traces the history of day care in the United States. It originated in New York City in 1854 with the establishment of a foundling home and day nursery for the infants of unwed mothers who would then be employed as wet nurses in the families of their benefactors. Interest in day care has been cyclical since then; the program enjoyed a spurt during the early nineteen-hundreds with the settlement-house movement, declined with the widow-pension movement, which aimed to keep mothers at home with their children, and then became important again during World War II, when the government needed to maximize the number of women working in defense production. After the war, federal funds were withdrawn, and the states followed suit, with the exception of New York and California. The late sixties found a revival of interest in group care for young children, largely because of the confluence of interests of the coalition mentioned above.

Recent increases in the labor-force participation of women, especially from middle-class families, has blurred the distinction between nursery school and day care. In addition, school systems are increasingly moving into the provision of services to children below kindergarten age, as the birth rate and school enrollments decline. The most recent national survey of child-care usage, in fact, found that parents used the terms "day care" and "nursery school" to describe places which provided indistinguishable programs.[4] Children build towers, mold playdough, and listen to stories in church basements. If the church is in the South Bronx the basement is a day-care center; if it is in Forest Hills, it's a nursery school. Hours of operation, educational components of the program, and other factors which might once have distinguished the two activities now do not; all these things vary widely in both categories. In fact, different parents using the same facility may place it in one category or the other depending on their reasons for enrolling their children. The distinction, however, between "day care" and "nursery schools" has lived on in people's minds. Therefore, most summaries of day-care utilization and parents' preferences for child care do not include nursery-school enrollments.

In addition to the data on nursery-school enrollment, there are several sources of information on who uses what kinds of day care. In 1965[5] and 1971,[6] major national surveys of the child-care arrangements of working women were conducted. In 1975,[7] a similar survey dealing with *all* babysitting and child care used by employed and non-working parents was done. Finally, the Michigan Panel Study of Income Dynamics, also a national sample survey, included questions on day-care arrangements in its 1973 questionnaire.[8] A comparative analysis of the results of these surveys and other data is contained in a working paper by the author.[9] The 1975 *Child Care Consumer Study* indicates how many people are involved in child care: 15 million or 62 per cent of all households have the children taken care of by someone other than parents or siblings for at least an average of an hour a week. Of those, more than 7 million households include employed mothers or employed single fathers.

The 1965, 1971, and 1973 surveys—dealing only with working mothers—show consistent patterns of utilization, although the questions and samples differed somewhat. Table 1 summarizes the child-care utilization patterns for 1965 and 1971 for women whose youngest child is less than 6 years old. As the table indicates, the patterns of care did not shift much between 1965 and 1971. The percentage of families with children less than 6 years of age who used care provided in their own homes by family members or others increased somewhat:

TABLE 1

DAY-CARE ARRANGEMENTS USED BY WORKING MOTHERS WHOSE YOUNGEST CHILD WAS UNDER SIX FOR 1965 AND 1971, BY RACE

	1965		1971	
Day-Care Arrangements	Whites	Non-Whites	Whites	Non-Whites
Care in own home:				
By father	16%	9%	15%	9%
By other relative	15	28	17	25
By combination of family and nonfamily members	—	—	17	15
By nonrelative	17	7	7	12
Subtotal	48%	44%	56%	61%
Care in another person's home:				
By relative	13%	24%	4%	9%
By nonrelative	15	18	14	8
Subtotal	28%	42%	18%	17%
Other arrangements:				
Care in group-care center	6%	6%	8%	15%
Child cares for self	1	0	3	0
Mother cares for child at work	16	9	7	4
Mother cares for child after school	1	1	1	2
Other	0	0	8	2
Subtotal	24%	16%	26%	23%
Total[*]	100%	100%	100%	100%

[*] Totals may not add because of rounding.
Source: Shortlidge *et al*., 1975.

from 48 per cent to 56 per cent for white families, and from 44 per cent to 61 per cent for non-white families. Care in another person's home diminished generally for both relatives and non-relatives: from 28 per cent to 18 per cent for whites, and from 42 per cent to 17 per cent for non-whites. Day-care-center usage went up from 6 per cent to 8 per cent for white families, and from 6 per cent to 15 per cent for non-whites.[10]

The 1973 data also deal only with working mothers and are aggregated for women with children under the age of 12, so one would expect less focus on modes of care designed specifically for younger children. In fact, they found day-care centers and nursery schools used by about 8 per cent of the total population as well, which probably represents a small increase in enrollments. They also found that in 26 per cent of the white and 14 per cent of the black families surveyed, the father and mother managed to split their working hours to cover child-care requirements. Many parents appear to prefer this arrangement; the practice was at least as common among the wealthier families as among the poor. Overall, a little more than half of all working women relied upon family members to care for their children: 34 per cent living in the home, 17 per cent living elsewhere. Another 24 per cent used a sitter or friend.

The 1975 *Consumer Study*, dealing with *all* child care, including occasional babysitting, for working and non-working parents, concluded that the most child care is used by families with younger children (2 years is the peak age); employed parents; and single parents, even if not employed.[12] Family structure seems to be very important in what kind of child care is used. Employed single mothers are three times as likely as employed wives to leave their children at home with relatives and about twice as likely to use centers or nursery schools. Relatives not living with the family babysit for nearly half of all families. Day-care centers are used somewhat more by the poor than one would expect from their incidence in the population, and less than one would expect by those just above the poverty line and by the better off. At about the median income, the trends seem to change: relatives are relied upon less—or are not around to be relied on; more people pay unrelated babysitters and housekeepers to take care of the children at home, or they send them to nursery school.

In addition to income distinctions, the 1975 study found some ethnic ones:

—In-home care by non-relatives (especially occasional babysitting) is predominantly a white, middle-class phenomenon.

—Spanish-origin children are looked after by relatives.

—Black families use either relatives or institutional care, but rarely leave their children with unrelated adults.[13]

In sum, parents use a wide variety of child-care arrangements. The modal form of care is still within the family. Parents stagger working hours in order for one of them to be home with the children while the other is at work, and other relatives provide a substantial portion of both occasional and regular full-time care. Among the white middle class, unrelated babysitters often take care of children in the family's home. Unrelated adults provide about 20 per cent of all child care in their own homes. Publicity about day-care centers and about government subsidies of center care has been much more intense over the past decade; the somewhat increased use of centers, especially by poor single mothers, is likely to be in part a result of that attention.

The patterns of utilization do not point the way for policy: they do, however, explode the myth that families are giving up much of their child-rearing responsibility to unrelated or institutional caretakers. The major role of the extended family in these arrangements cannot be overlooked, particularly for poor, near-poor, black, and Spanish-origin families. Reports of the death of extended families are greatly exaggerated.

COST TO FAMILIES

When data about cost to the parent is added to that about utilization, the economic attraction of informal arrangements in the home becomes more apparent. Out-of-pocket expenses for informal arrangements tend to be very small: the 1973 survey found that 49 per cent of working mothers paid nothing at all for day care; most of those were arrangements with relatives. The 1975 survey data show that, while a considerable amount is paid to relatives for child

TABLE 2

PARENTAL EXPENDITURES FOR CHILD CARE COMPARED TO PERCENTAGE OF CHILD CARE PURCHASED, 1975

	Parents' Expenditures	% Total Child-Care Hours
Relatives, in child's or relative's home	$1.1 billion	45%
Non-relative in child's home	$1.7 billion	17%
Non-relative in other home	1.8 billion	20%
Nursery schools and centers	1.6 billion	15%
Other	.2 billion	3%
Total	$6.4 billion	100%

Source: National Child Care Consumer Study. 1975, II, Tables 8-1 and 8-2.

care of all kinds, it buys a lot more child care than the somewhat larger amounts for more formal arrangements. These data are reflected in Table 2.

The out-of-pocket costs to parents are one part of the total cost of child care. Public subsidies lower the price to poor parents of care in a nursery school, center, or the home of a non-relative. Federal reimbursement for child-care expenses pay back some of what parents spend, but these subsidies are not reflected in Table 2. Finally, the opportunity cost if a family member stays out of school or out of the labor market to keep the children may make the real cost of care by relatives higher than it appears to be. The magnitude of these costs is difficult to assess without information on the employment prospects of those taking care of the children.

PUBLIC EXPENDITURES

One might assume that data on the cost to the public would be easier to come by than data on family expenditures, but even a straightforward accounting of federal expenditures for child care is hard to obtain. Some subsidy or another can be found in at least twenty-five federal programs, from SBA loans to firms to set up centers to recomputation of welfare benefits to compensate for child-care expenses. A reasonable estimate is that, in fiscal 1976, about $2 billion of federal funds went to support day care. Approximately $500 million of that is not in federal outlays but in forgone revenue from the tax deduction for child-care expense available to working parents. The remainder includes subsidies for home and neighborhood arrangements, teacher training, experimental pre-school programs, Head Start, and day-care centers. State and local government funds and philanthropies also support child care of various types; these sources probably contribute at least as much as does the federal government.[13]

A final complication in the cost picture is the fact that child care is on the fringes between the home and the money economy. Table 2 indicates that informal day care, even by unrelated adults, is relatively inexpensive; this is largely because the caretaker is usually a housewife—often in her own home—who does not value her services according to market prices. When child care becomes a full-time occupation, rather than a sideline, the price rises significantly if even subsistence wages are paid. This can occur both within and outside the home. The cost of care in the family's home by non-relatives is higher than care by a non-relative in the home of the caretaker, since full-time wages for children's nurses, housekeepers, and professional babysitters must be paid.

The cost of centers, which must include the cost of facilities as well as of personnel, is even higher. In 1971, Edward Zigler, then director of the Office of Child Development, estimated the per-child costs of day-care centers of "acceptable quality" at $1,862 per year and of "desirable quality" at $2,320, based on 1967 prices.[14] Full-time centers with educational programs were estimated in 1975 to cost between $3,000 and $5,000 per child—i.e., in the same range as tuition at Ivy League colleges—and the cost of intensive experimental projects, though rarely calculated precisely, runs twice that.[15]

PREFERENCE

It is difficult to estimate from utilization data alone whether either the cost to parents or a supposed limitation of alternatives is a major determinant in child-care-utilization decisions. Does this pattern of arrangements reflect what families would like to do, or only the exigencies of a day-care market where formal day-care centers are in too scarce supply or are highly desired but beyond the financial means of most parents? There are two kinds of data which could help to answer that question.

First are the preference surveys in which parents are asked how satisfied they are with present arrangements, and what kind of care they would prefer. The Westat survey of 1970[16] found that the type of day care preferred by most parents of all income groups was an informal arrangement in the home or in the neighborhood. This survey reported that parents apply well-defined criteria for choosing among day-care arrangements. These include, in descending order of preference: closeness to home, cost, convenience of hours, sick-child care, and program (i.e., education). This ordering of priorities adds up to a preference for at-home care. Low and Spindler[17] report greatest satisfaction with at-home arrangements, though they did not ask directly about parental preferences.

The 1975 survey also asked parents whether they were satisfied with their current arrangements, what alternatives they might prefer, and a number of questions designed to probe their attitudes toward various forms of care.[18] Sixty-three per cent of the mothers sampled—employed or unemployed, black, white, or Spanish-speaking—prefer to have their children cared for by relatives over any other arrangement. Care in one's own home was preferred over all others by 53 per cent of women. Similarly, care by relatives, whether in the children's homes or the relatives' homes, was almost universally reported to be satisfactory. Greatest dissatisfaction (but still only 11 per cent) was reported for Head Start programs. Not looking a gift horse in the mouth, however, only 9 per cent of Head Start parents indicated an interest in changing to some other program. When asked if they would prefer other kinds of child care, more than three-quarters of the total surveyed said they would not. Those most likely to want to change were sending their children to the home of a non-relative. Of the 24 per cent who thought they might prefer another form of care, about 30 per cent wanted to move to some form of home care, and 45 per cent to nursery schools or centers. The clear loser was the family day-care home. Virtually no one was interested in having her child cared for in the home of an unrelated person.

This study also asked a number of attitudinal questions about various forms of care. The major finding is that parents, unlike politicians, do not hold ideological positions on the subject. None of the questions designed to reflect strong opinions (e.g., "I would rather pay someone to take care of my child than to leave him with a relative," or "I would never send my child to a day-care center") elicited much agreement.

The second kind of information on the care people would use if it were available is more convincing because it is based on behavior rather than interview responses, although it is also based on smaller samples. In a number of experimental programs, parents have been offered—free or at very low cost—expensive day-care centers and other formal types of care. In each case, the number of people who took up the offer was much lower than was expected. An income-maintenance experiment in Gary, Indiana, offered free high-quality day care to the children of welfare mothers at work or in school and subsidized care to others. There were very few takers. At the height of the program, only 15 per cent of the eligible preschool children were enrolled.[19] In Seattle and Denver, income-maintenance experiments also included a day-care subsidy. They divided possible day-care modes into three categories: non-market (in the family, for which no fees are paid), informal market (babysitting by relative or non-relative, either in child's or sitter's home, for which a fee is paid), and formal market (licensed day-care homes and centers). They found that when subsidies are available, the use of paid care increases by as much as 35 per cent for the highest users—employed single mothers. But this was true only for informal market care, and, to some extent, it meant only that arrangements that had been free before were now being remunerated. Use of centers and licensed homes increased about 6 per cent in Seattle and not at all in Denver. This study concluded that one would have to provide heavy differential subsidies to centers and licensed homes if one really wanted to get participants to use them for their children.[20]

Placing a center at a work site does not appear to add to its popularity. In the nineteen-sixties, several corporations set up day-care centers at or near the work site as a service to their employees. When, in 1972, Ogilvie[21] undertook a study of those centers as possible models for expanding the supply of day care, he found that nearly all had already shut down for lack of enrollment. This phenomenon can be attributed in part to the fact that one must have a relatively large work force in order to find enough preschool children of employees at any one time to fill a day-care center of a feasible size. Ogilvie estimated that in 1972 a work-site center for 60-70 children required at least 1,000 women employees. But a second reason for the failure of many centers—at the worksite or away from it—is that many parents favor informal arrangements at home or with relatives.

Thus, evidence accumulates to indicate much less interest on the part of

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parents in formal day-care centers than the public debate implies. Many parents appear to prefer that relatives take care of their children, and large numbers of them have relatives willing to do it. This finding stands in obvious contrast to the common notion that isolated nuclear or single-parent families predominate.

The preference, cost, and utilization data show that a wide array of methods of day care is in use, most of it informal and outside the market. Overall, parents seem relatively pleased by the arrangements they have, although different modes suit the needs of parents in different circumstances—a good reason for maintaining a system with many alternatives. Preference for change usually reflects either difficulties in finding new arrangements for meeting changed circumstances or the desire for minor changes to make arrangements fit more precisely with the work schedule. Finding care arrangements that are suitable in every respect is not easy. Help in identifying the available possibilities appears to be something parents would welcome enthusiastically. The 1975 survey found parents agreeing overwhelmingly with the suggestion that the government set up an information and referral service on available licensed facilities and caretakers.[22] But, so far as parents are concerned, there is no unanimity about the urgency of expanding the supply of formal day-care centers or day-care homes or any other particular form of care arrangement.

The Larger Debate

Perhaps national policy should rest, however, not on parental desires but on day-care expansion as a way to advance some or all of the larger objectives stated by proponents.

LABOR-FORCE PARTICIPATION OF WOMEN

Lack of available day care is often cited as a major impediment to greatly increased labor-force participation by the mothers of young children. Two very different groups believe that getting women into the labor market is a primary concern: the women's movement and "workfare" conservatives, the latter seeing employment as the only way to reduce AFDC rolls. These two forces focus on distinctly different portions of society and with very different purposes.

The women's movement emphasizes the liberation of women from what they regard as the subservient role of unpaid household labor. The most direct way to accomplish that, they believe, is for women to move from the house into a paying job. There are many benefits, both economic and psychological, to working outside the home. First, of course, is the money. In addition, continuing employment makes a woman eligible for Social Security and other pension systems, and increases her psychological independence and power within her marriage.[23] Moreover, there are good reasons why a woman may want to work while her children are young. One major reason why women in some white-collar professions generally command lower wages than men is their frequently episodic employment history—those who do not stop working for long periods of time command wages more nearly commensurate with those of men.[24] The increasing commonness of divorce, the paucity of child-support payments from absent fathers,[25] and the concomitant need for women to support themselves all provide a powerful economic drive to enter the work force.

The social benefits of work outside the home are also becoming more important to some women. Social contacts with peers and reinforcement of one's feeling of accomplishment by colleagues one respects provide important psychic income which was perhaps once otherwise available in more closely knit communities, but is now more apt to be found through the job. Measures of success may often seem a lot easier to come by on the job than at home with the children, where a beatific "I love you, Mommy" can be followed within minutes by a temper tantrum and a plateful of spaghetti thrown against the wall.

The focus of these arguments is primarily on improving the economic and psychological status of women as individuals, and secondarily on helping them add to their children's welfare. Though the arguments could apply to women across the income scale, those who advance them focus primarily on the relatively well educated and the middle class. This is in many ways a conservative position: no radical change in the structure of employment is suggested, only increased participation of one segment of society, for whom a few support services are necessary—such as day care. The women's movement is certainly not unanimous on this issue; more psychologically oriented feminists may question the value of adopting the essentially male definition that one's worth is defined by a wage rate. But advocates of labor-force participation tend not to discuss, or even to consider, whether there might not be some noneconomic costs connected with a mother's working full time.

The workfare conservatives are also interested in getting women to work, but a different group of women and for very different reasons. Those who hold this position regard with chagrin the inequities of a system that provides welfare to some people for doing nothing, while giving no support to equally impoverished neighbors who work long hours for poverty wages. The conservatives see putting the welfare mothers to work as accomplishing two ends: reducing this horizontal inequity and saving the government some money in welfare outlays. Since a woman would not be on AFDC if she didn't have children, some arrangement to care for them is felt to be necessary if she is to be required to work. Like their distant cousins in the women's movement, workfare conservatives concentrate on economic arguments and view day care as an addendum to their primary mission: employment of mothers. They share with feminists the assumption that combining mothering and employment is in some way superior to mothering alone. Ironically, the AFDC program was initiated on precisely the opposite premise: that the public interest is best served by subsidizing mothers to stay at home and take care of their children rather than going to work.

But even assuming what a large part of the population does not—that it is best for a mother with young children to work—one can ask at least two central questions with regard to increasing women's labor-force participation: (1) Is the public interest served, in macroeconomic terms, by inducing more women to join the labor force? (2) Is the provision of day care by the government an important prerequisite to mothers', and especially welfare recipients', becoming employed?

The answer to the first question is far from obvious. In the short run, and especially today, in 1976, "joining the labor force" often means swelling the rolls of the unemployed. In the longer run, economic forecasters are of two minds: given the apparent secular trend toward lower birth rates, such analysts as Drucker[26] argue that within ten to fifteen years there will be a labor shortage if the economy continues to expand only at its present rate. Others contend that automation, the increased use of low-cost overseas labor by American corporations, and the natural limit of resources portend a stagnant or diminished demand for workers in the next few decades. The macroeconomic rationale for encouraging women—or anyone else—to enter the labor force turns in part on the resolution of these contending arguments.

The second question is easier to answer. The evidence to date indicates that offering day care has relatively little effect on a woman's decision to work. The best estimate is that the availability of even free day-care centers explains only about 10 per cent of mothers' decisions to enter the work force.[27] What matters most is the existence of a job—when that is available, most mothers find some way to cope with the child-care problem. Welfare mothers are no different from the large mass of working and lower-middle-class women in this regard. Decisions are made largely in terms of economic necessity; if net income goes up, employment is worth it.

Welfare mothers can be distinguished from upper-middle-class well-educated women who work because they want to. For the latter, the availability of precisely the sort of child-care arrangement they judge best for their children may be a factor in the decision to work or not. It would be nice if society had arrived at the point where parents at all income levels were equally free to consider non-economic benefits to the family when making employment decisions. In fact, the workfare conservatives have engineered the economic incentives at the bottom of the income scale so that for AFDC recipients there is never a point where the economic incentive to work is relaxed. Only those whose families can live relatively well without the mother's income have the luxury of making that sort of choice.

Further, as the utilization and preference data show, when mothers become employed they most frequently turn to informal home- or family-based arrangements, which the government can subsidize but cannot create. There is also evidence that when formal day-care arrangements break down, alternatives are readily available. A 1973 study in South Carolina of low-income mothers whose day-care center was no longer available to them found that nearly everyone continued to work and in the same job, and that they found other arrangements for their children within a few days.[28] Moreover, only 3 per cent of the women in the Seattle-Denver income-maintenance experiment who did not work cited lack of day care as a reason.[29]

To summarize, provision of federally funded day care—especially day-care centers—does not appear to be critical to the labor-force participation of women; the need for and availability of employment is overwhelmingly more important. This does not imply that child care is an unimportant national policy question, only that the day-care tail should not be expected to wag either the Great Dane of federal employment policy or the St. Bernard of welfare reform.

But how, then, can one deal with the problems pointed out by those advocating day care to increase the employment of women? The first step is to face directly what is being said: work at home is not valued. The feminist message is that women should get into the labor market in order to receive their due. The conservative message is that welfare mothers should be improved by the discipline of working and their children through surrogate care.

Steiner[30] and Rivlin[31] have analyzed proposals to reduce welfare expenditures by obtaining jobs for mothers and providing day care for their children. Both conclude that the expense of formal market day care is likely to overwhelm any welfare savings for all but a very small portion of AFDC recipients.

Steiner concludes that the real motivation for such proposals is that not simply a zero valuation but a negative valuation is placed on the work AFDC mothers put in raising their children. He observes:

> There is no political conflict over the proposition that a young mother suddenly widowed and left dependent on social security survivors' benefits should be supported with public funds so that she can stay home and take care of her children. Nor is there congressional discussion or any HEW proposal for day care for those children. If 94.5% of AFDC dependency were attributable to death of the father, there would be no congressional interest to speak of in day care. But, in fact, 94.5% of AFDC dependency is not attributable to death of the father; only 5.5% of AFDC dependency is so attributable. Most of the political conflict and a good deal of the interest in day care is over whether the public should subsidize those women whom Senator Russell Long once called "brood mares" to stay home, produce more children—some of them born out of wedlock—and raise those children in an atmosphere of dependency.[32]

Interest seems to center much more on the proper role of the husband and wife in marriage, discrimination against women, sex, race, and freeloading than on the economic relationship between the availability of formal child care and employment.

DAY CARE AS AN EMPLOYMENT OPPORTUNITY

The different value placed on work at home and in the market is also apparent in proposals to expand federal day-care subsidies in order to increase the supply of jobs. There are two discrete interests advanced by those who make this argument. The first is that of the AFDC mother who wants to work but cannot find employment. Why not put her to work caring for the children of others? There is a certain irony to the definition of caring for other people's children, but not one's own, as work. However, if a welfare mother wants to do that, it seems a laudable objective. How might it be accomplished?

The part of the government subsidy that might have some direct impact on hiring practices in day-care programs operates through state and local governments or quasi-governmental groups such as Community Action Projects. It includes Title XX social services, Head Start, and preschool projects for the handicapped. Unfortunately, using federal leverage—including money—to create genuinely new jobs in the state and local public sector is a very tricky enterprise. A political shell game frequently ensues, in which states and localities fire some of their employees and rehire them with federal employment funds, expanding the supply of positions not at all but adding a bit to the state or local treasury. This problem would have to be overcome to bring about any genuine increase in the number of publicly supported day-care jobs open to AFDC mothers. Enriched tax credits to private firms for hiring AFDC recipients in day care have also been proposed; even if successful, the benefit is likely to be small because private firms comprise a very small proportion of the day-care market. Another obvious possibility is to provide more generous subsidies to individual families for day care, hoping that the increased demand will produce more jobs for welfare recipients. Unfortunately the likely efficiency of that strategy is also very limited. There are several obstacles, including the competition faced by welfare mothers trying to get jobs in centers, the way day-care quality is currently defined, and the fact that most of the demand is for day care by relatives or at home for little pay.

Untrained AFDC mothers face fierce competition in the formal day-care market. The most powerful comes from the increasingly numerous ranks of unemployed teachers. They and the powerful national associations which represent them are the second major force pushing for new federal day-care funding as a job-creation device. Recently the AFL-CIO has placed its political weight behind the position that new federal day-care legislation must give control to the schools. Clearly the teachers and the AFDC mothers have competing interests. Under traditional definitions of staff quality (education and work experience) the teachers would win hands down. And those traditional definitions are now used to define "quality" day care.

Day care is an example of an industry where professionalization is just beginning to take place. In order to make it a more appealing employment possibility for its members, the education lobby wants to move day care out of the status of a cottage industry. Parents, by and large, want to keep it there. The Office of Child Development, in an attempt to dilute the impact of traditional educational credentials judged by many to be generally irrelevant to the effective provision of child care, initiated in 1970 a Child Development Associate project designed to provide credentials based solely on demonstrated competence in dealing with young children. To date this project has confined itself mainly to testing and certifying persons already at work in day-care centers or family day-care homes in order to provide them with a basis for advancement. If such efforts as the Child Development Associate project are to meet the original objective of establishing operationally defined competence as the primary basis for certification in child care, however, potential workers must be found, certified, and placed in initial jobs.

But the probability is fairly small that such efforts will, by themselves, successfully turn around the trend toward staffing federally subsidized day-care centers with people who have professional degrees. The pressure of school systems with unused facilities and surplus teachers is powerful; in California, the public day-care system is administered by the state education agency and has already come closely to resemble the primary schools, with certified elementary school teachers as senior staff and former principals as administrators.[33] But whether or not such projects as Child Development Associates were successful in making less-educated poor women competitive in the race for jobs in day-care centers, one must face the fact that—California's experience aside—neither the present pattern of day-care arrangements in this country nor the expressed preference of parents at all income levels places much emphasis on formal center-based day care for young children. Thus the greatest demand for AFDC mothers as child-care workers is likely to come from relatives or close friends on a barter basis or for very little money.

The conflict is clear; the easiest way to justify paying market wages is to make child care more like other service professions: institution-based. Parents either do not perceive that the benefits that come to them and their children justify the higher price or they are simply unable to pay it. So government subsidies must be increased to keep the enterprise afloat.

The reason for the high cost of centers is that we are paying the price—with additional overhead, fringe benefits, and amortization costs—of remunerating a part of the work mothers do at home. Keepers of the federal treasury should be thankful that most families would still prefer to keep the kids around the house. Other ways to redress the unequal value placed on work at home and in the market need to be considered.

CHILD DEVELOPMENT

There is one remaining and extremely important argument for formal day care: possible benefits to children. Public policy decisions should not be guided by parental preference alone; millions of research dollars have been spent investigating the vital question of how to improve the welfare of the nation's children. One should not be too blithely confident that parents will make the wisest choice. Every reported incident of child abuse is a poignant reminder of parental fallibility. And experiences outside the home can provide important intellectual and emotional experiences for young children.

The world of research in child development has not been closely attuned to the day-care policy debate. The single most furiously debated question regarding the impact of day care on children is that of staff-child ratios. Only recently a large experiment has begun testing the effects of varying the number of children per adult on the children's development. Until then, no research addressed that issue. Research has concentrated on the possible negative effects of separation from the mother and on possible intellectual and social benefits for children in group settings. Virtually all the research uses experimental, university-based preschools and centers, not ordinary day-care arrangements.

Regarding the emotional tie to the family, even parents who are alert to how children are reacting to care arrangements could use some help. It is hard to separate behavior changes due to developmental phases from those that signal serious distress. An eighteen-month-old starts having occasional nightmares: is it something about the new babysitter, the fact that mother is gone all day, or that eighteen months is about the time children start to have nightmares?

There is a massive research literature on mother-child attachment and separation anxiety, and on their effects, particularly on the child's reaction to strange adults. Results from such studies vary, but generally suggest little or no difference in the emotional bonds between mother and child whether the child is in a center, at home with mother, or at home with a babysitter.[34] Nor does the evidence show that whether or not the mother works when a child is young determines the development of later difficulties; mental health and behavior problems can be traced to serious conflict between parents and children, not to employment status. In fact, one study concluded that if the mother is satisfied with whatever she is doing—working at home or in the labor market—the children are likely to be better off psychologically.[35] Day care is not the beginning of the end for close family ties. Eighteen months is about the time when children first have nightmares, whether their mothers work or not.

Research on the child-development centers is more mixed. Significant short-term gains in cognitive abilities or applied skills are found only in the few university-based experimental projects which apply structured sequences of learning activities for the children.[36] Experimental parent-training projects, especially those combined with centers in which mothers are trained as child-care staff, produce short-term effects.[37] Researchers have not yet overcome the difficulty of transplanting the techniques that are successful in these hothouse research environments to larger-scale programs. There is very little correlation between early gains in a preschool environment and later success in school, or between early school achievement and later success in life. Children's lives are subject to too many complicated influences to expect an early experience to immunize them from later difficulties. There do seem to be some differences in social behavior between children reared at home and those with extensive group-care experience. The day-care-center children are often more aggressive, physically active, and peer-oriented than the children accustomed to care at home.[38]

There are enough intriguing findings to justify continued curiosity and research investment in the field. One would hope, with Bronfenbrenner,[39] that the research effort might concentrate more closely on typical experiences of children—informal care at home or in the neighborhood by parents and relatives—and less on those university-based laboratory preschools that are so convenient for researchers.

In sum, the research findings do allay some fears about the emotional impact of day care, but do not provide one with much confidence that children's development is markedly improved by one form of care or another.

Conclusion

The day-care debate has proceeded with very little consideration of the evidence on current practices and parental preferences in the area. One cannot help wondering why the principal method of child care used most by working mothers—within the household and the extended family—comes so little into the spotlight of public discussion. There is yet one other possible explanation for this phenomenon: spokesmen for the various positions are generally white and upper middle class. They are the least likely group in society to have functioning extended families, and they may forget that the poor and the lower middle class do.

Aggregate data sources such as the census tend to reinforce the illusion that there are no extended families by using households as a unit of analysis. A decline in the number of adults in the household is read as a decline in functioning kinship networks. The fact is, as Hareven has indicated elsewhere in this volume, that extended families in the United States have throughout history maintained separate but closely tied nuclear households. Oft-touted mobility figures (e.g., the average American moves once every five years) also mask important class differences. The poor and the working class move within the same area to find better housing; long-range moves to new cities are relatively rare.[40] The postwar migration from the South to northern cities largely followed kinship lines: one went where friends or relatives were already established.[41] In contrast, the probability of long-distance moves increases sharply with income and educational level. Those at the upper end of both scales are the least likely to live near relatives—and the most likely to be making public policy. A policy maker or academic who lives in Bethesda or Cambridge, with parents in Fort Lauderdale and a sister in Berkeley, is not predisposed to think of relatives caring for his or her children. It is easy to forget that for those who live in South Boston or Harlem a child's grandmother or aunt is more likely to be a few blocks away.

But whatever the reason, the data seem to show that there is far more interest in informal care in the home or the extended family than anyone would gather from the public debate. Federal policies to help make this sort of care more affordable are lost in the cacophony of contesting arguments over one method of care—formal centers—and one way of funding it—federal support to those centers. What we need is closer concentration on what people need and want to help them cope with their child-care problems. Instead, policy makers are importuned by ideological and interest group pied pipers, promising to rid us of various forms of pestilence: oppression of women, a thoroughly unworkable welfare system, emotional disturbance, and school failure.

A focus on the parents and children might simply produce some modest tinkering at the margins of the system. Information services to enable parents more efficiently to make their own arrangements would be welcomed; flexible work hours and allowing leave to care for sick children would help a number of families. But such changes hold no utopian promise; women would continue to find job scarcity the main deterrent to employment, poor and working-class families would continue to supervise their own children, and the educational system would not be given major new responsibilities. Some children would still do better in school than others. Life would be slightly eased for those millions of families who do need and use various day-care arrangements.

Such a view relegates day care to that most undignified of political categories: a secondary issue. This move would considerably diminish the political appeal of day care as a cause, but the level of federal investment would probably remain more stable if less were expected of it. Some federally funded centers are needed, but their status and the grand objectives some envision for them should not dominate the question of the government's role in child care. In Browning's Hamelin, the children were forfeit to a policy dispute among adults over the law of contracts and the social benefits of rat extermination. Then and now, children and parents are not helped by having the child-care question unnecessarily entangled with other issues of public policy. Those who seek to help parents solve their child-care problems—narrowly defined—can make a valuable contribution to the public weal. But they should not take their pipes to town.

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STATEMENT OF GERRIE M. SMITH, CHILD CARE ADVISORY COUNCIL, COUNTY OF FAIRFAX, VA, TESTIMONY PRESENTED BEFORE THE SENATE AGRICULTURAL COMMITTEE, APRIL 4, 1984

Good morning, Mr. Chairman, Members of the Committee, ladies and gentlemen. Thank you for the opportunity to appear before this committee.

I am an appointee to a non-policy making citizen's board that advises the local governing body concerning issues and policies related to child care in Fairfax County, Virginia. As the At-Large appointee to the Child Care Advisory Council, I have become aware of several aspects of governmental policies that I believe are in need of reform. The Child Care Food program (CCFP), authorized by section 17 of the National School Lunch Act is one of those programs in need of reform.

I am here today because I believe that a major aspect in the revitalization of our nation's economic prosperity can begin with spending programs like this USDA program. I maintain that S. 1994 can be part of that revitalization process.

My reservations with the CCFP are shared with the Board of Supervisors in Fairfax County. The Chairman of the Board, the Honorable John F. Herrity, wrote to the Director of the Office of Management and Budget on November 16, 1981, expressing the board's concern over the fact that the CCFP is not specifically targeted to assist low income families.

Should the Senate agree to pass S. 1994, we can begin to use our tax dollars to help only those who are in need of assistance, and thus will reduce the size of our needy population. The demand for services and the costs associated with the various benefits and entitlements will also be curtailed. The remedy is simple enough it is equitable enough; deny benefits as provided under the current law to the middle and upper income classes.

In my view, S. 1994 is, then not only a preventative measure, but also a remedial strategy as well, for it will aid only those who are in need of our assistance, thus allowing greater concern for the disadvantaged children in family day care, and not for the non-needy children who are in family day care, and are the predominate participant of the program.

I strongly urge that the Senate pass S. 1994. It will restore the integrity to the CCFP; it will allow more time, energy and monies to be spent where they are needed; it will help strengthen the primary social unit, the keystone, of our Society upon which we all depend—both in and out of the work force—the family.

Members of the President's Private Sector Survey on Cost Control informed a House budget task force on November 2, 1983, that perhaps an additional $30 billion may be saved by simply reforming some of the nation's social programs to end waste, fraud, abuse and general mismanagement.

My objective today is to focus on what I perceive to be inequity in the CCFP, and thus its misdirected efforts to assist the needy. It should be noted that I am opposed to aid to the non-needy; I am in favor of aid to the needy. The middle and upper income classes, who predominate in the program, need no advocate. Rather, it is the child of the economically disadvantaged family who can truly benefit from our efforts to assist child care programs in our nation.

Many of the various social spending entitlement programs have expanded in recent years. The CCFP is no exception. When established in 1968, it was to provide meals and supplementaries (snacks) to children who were cared for in nonresidential, i.e., institutional, child care centers. The genesis of the program was the Great

Society. And although there are various eligibility requirements, the CCFP is an entitlement program.

The CCFP has been expanded to include children who are cared for in private family day care arrangements. Since it is estimated by the Department of Health and Human Services that approximately 56% of all children who are in day care are enrolled in family day care, this addition to the program was a significant one. Moreover, as greater numbers of women seek employment outside the home, and without an income eligibility ceiling, the number of participants who are thus eligible to participate in the CCFP will continue to increase.

And although the program is entitled the Child Care Food Program, it is not a food program. The family day care providers who are participating do not, in fact, receive food commodities from the USDA. The title of the program is simply a misnomer. The CCFP is not strictly a child nutrition program, either. It is, in reality, an income transfer program. But unlike many other programs that seek to redistribute wealth from the rich to the poor, the CCFP is a system that transfers income from the lower and middle income, single income-earning families to the middle and upper dual income-earning families, in the predominate case.

Fairfax County, Virginia, is a sponsor of the USDA child food program. It is a populous, affluent suburb of Washington, D.C. Approximately 596,000 people reside within its jurisdiction, and although the county as a whole is demographically somewhat unique in that it is quite wealthy, it is an area that is well suited to illustrate the fact that the CCFP is a system in need to reform. That reform that is offered for your consideration today is in the form of S. 1994.

The County of Fairfax has a predominately white (85.4%) population. Only 5.9% of its residents are black, with people of Spanish origin making up the next highest group of people (3.3%) who reside there. It is also an aging population, as the median age of the residents is 29.1 years of age.

According to the 1980 U.S. Bureau of the Census, 66.6% of the residents of Fairfax County, Virginia are married. Although divorce is not an unknown factor in the lives of the residents, there are only 8.3% of all family households headed by females, with 2.4% of all family households headed by males, for the category of single family headed households.

Perhaps the most significant feature of the resident of Fairfax County, Virginia is the economic profile of the county residents. The median family income, according to the figures available from the 1980 census, is $33,236.00 per year. The mean family income of families with two workers is listed at $39,816.00; families with one worker is listed at $31,335.00 per year. The proportion of families with two or more income earners in the county is 64.8% of all families.

The house in which the residents live are no less impressive in terms of their relative affluence. The estimated median value of owned housing units in 1983 is $103,600.00, with the median home value of owner-occupied homes listed at $95,200.00, making Fairfax County, VA the fifteenth most costly housing ranking in the United States, according to the Census.

In comparison, the 1980 Census has estimated that the weighted average poverty threshold for a family comprised of four persons is $9,860.00 per year. Again, the median family income in this jurisdiction—a legal participant in the USDA program—is $33,236.00 per year. Less than 6.3% of the families in Fairfax County, VA have incomes less than $9,999.00 per year.

Although Fairfax County, VA is an umbrella sponsor of the USDA program, it is administered by the county's Office for Children (OFC). Anyone who takes or agrees to take a family day care classroom training course offered without charge to participants is not only eligible to participate in the county-run program of information and referal for parents in need of child care arrangements, but also in the USDA food program. Sources within the OFC have indicated that they have had an enormous increase in the number of participants in the program. The increase has added an additional burden to the staff. It is not unlikely that the OFC has had to increase its own employees to cover the demand for this service, thus impacting the local tax base.

Because of the relative affluence of the residents of this participating jurisdiction, it is possible for a family of two incomes to gross in excess of $35,000.00 per year (as 45% of the residents do), yet are eligible for benefits from the USDA CCFP. This is, then, money that is going to subsidize the child care costs of the wealthy who choose to seek employment and the increased salary that dual income families can earn. Again, every dollar that is allocated to subsidize the non-poor is one dollar less that is available to assist those who are truly in need of aid.

In the magisterial district in which I reside, 31.8% of the families report income in excess of $50,000.00 per year; 9% report earning incomes in excess of $75,000.00

per year, yet all are eligible to receive benefits under the current provisions of the CCFP.

Who is the family day care provider? More often than not, the provider is a woman who has children of her own to care for. She may not use the money that she receives from the CCFP to purchase more nutritious foods for the children in her care. Many of these women may be preparing meals and snacks for their own chidren, as well as for those children who are in paid care. And although there is a provision for the provider's own children to participate in the CCFP, this section is income specific, i.e., those children of family day care providers whose family income is less than 18.5% of poverty, are eligible to participate. The child in the care of the family day care provider is under no such ceiling limitation, hence the need for the reform offered by S. 1994. Few, if any women would be willing to spend extra time and energy to prepare a different meal and/or snack for the day care child in her care than the meal that she provides for herself as well as her own children. In short, the day care child probably most often receives the meal that everyone else is served, without discrimination.

One family day care provider who resides in Fairfax County, VA has told me that she uses the extra to treat herself and her day care children to meals at various restaurants. She reports that she would otherwise be unable to offer this outing to the children in her care. Another day care provider saves all of the money that she receives from the CCFP to purchase additional toys for the use of the children she cares for as well as for her own children.

Sometimes the parents who have their children in family day care arrangements do not wish to participate in the program unless the day care provider is willing to reduce the cost of the care given to their children by the amount of the subsidy received by the CCFP reimbursement schedule. The family day care provider may or may not be willing to do this. Several parents have expressed their apprehension over the program, stating that they fail to comprehend the need for participation in the CCFP (for which they are eligible simply by virtue of the fact that they have children in family day care), since their children's day care provider is rendering something that they receive any way; good substitute child care at reasonable cost given by a trustworthy neighbor.

There is an inspection system, of sorts, involved with the program. But the reality is that it is not necessary to inspect most of the homes involved with the CCFP. The good sense of the parents of the children entrusted in the care of the family day care provider is the child's best defense against the need to arm the social welfare establishment with the authority to inspect these family day care homes. As the program is administered in Fairfax County, VA there are two inspections made once a year. The inspector proceeds these visits with a telephone call to the home of the family day care provider as a matter of common courtesy, as well as to insure that the provider will be at home during the time allotted for the visit. Surely if a day care provider were serving non-nutritious foods in lieu of nutritious foods to her charges, this system offers little protection. Again, the best defense here is that daily inspection that is made by the most interested, involved party of all: the parent of the child in family day care.

Therefore, in reality the payments received under the provisions of the CCFP may not result in increased nutritional value for the children in family day care arrangements. Instead, the payment received may be used to supplement the income of the day care provider. And this is, in my view, what this program is really all about: increasing the incomes of the day care providers; or perhaps it is to decrease the cost of child care to the working parent. In either case, the child's nutritional intake is not affected.

There are other umbrella sponsors of the USDA Child Care Program other than the County of Fairfax that operate within the county itself. They are usually nonprofit agencies that may not be eleemosynary institutions themselves, as sponsors of the program, but receive reimbursement for administrative costs of the program. The Reconciliation Act of 1981 provided a 10% reduction in these rates. These agencies are now seeking repeal of this and other reductions.

The bottom line of CCFP is that the value of this and other programs that are not income specific regarding eligibility requirements must be balanced against the fact that it is the single income family that may bear an unfair burden for this type of subsidy program. More often than not (as evidenced by the demographic data of Fairfax County, VA, a participating jurisdiction in the CCFP), the two income earning family may be earning in excess of the salary of the single income family. The CCFP works to the detriment of the single income family that must seek employment out of necessity, as in the case with the single parent families. Often a family of two parents may be sacrificing in order to provide its children with the care of their own mother, rather than a substitute provider. These categories of people are not eligible to participate in the USDA food program, yet their children should consume no less nutritious foods than the children of parents who exercise their free choice and seek employment outside the home when their children are small.

There are many parents of various income levels, who have decided that while their children are young, their right and free choice is to provide for the day-to-day care of their children. The upper income classes have always had this option, just as they have other options available to them that may not necessarily be available to less affluent families. On the other hand, there are many parents of various income levels who have decided that while their children are young, their right and free choice is to seek alternative substitute care for their children. But the fact of the matter is that the two income earning family, as the figures from Fairfax County, VA demonstrate, is demanding services and benefits that are not allocated to the single income family, who may in fact be decidedly less well off than the dual income earning families. The equity of setting public policy such as provided in the CCFP as is now constituted has not been adequately addressed. S. 1994 will start that reform, and this equity, in restoring the integrity of the CCFP.

We live in an age of dangerously high budget deficits. When the U.S. Congress endeavored to enact changes in some of the entitlement programs, some of the reforms took the shape of income eligibility requirements. The Gramm-Latta Act is credited with saving approximately $1.5 billion. Unfortunately, the CCFP, a small program by federal standards, was not part of that income specific reform. S. 1994 would provide that needed reform. It could set a trend toward reforming our entire social welfare benefits and entitlements such that only those who are in need of assistance are eligible for that assistance.

After all the testimony is heard, all of the evidence tallied, and the members of this committee as well as member of the Senate have made their final decision, there will be one group of citizens that will gain from that decision; one group of citizens that will lose from that decision. Let it be said that those who were denied benefits were the affluent. Do not be misled by well-intentioned but misinformed opponents of S. 1994. It is the poor who are in need of assistance, not the non-poor. And with more people seeking aid from our government, there is less money to assist the truly needy. Their cries for assistance are often lost amid the clamor from the middle and upper income classes who know how to use the system to their advantage, and often to the detriment of the under privileged.

It is my opinion, then, it is an act of true compassion to delete all but the needy families from this program, thus rendering it less vulnerable to the valid criticism that it is an income transfer program for the wealthy, form the non-wealthy. I strongly urge that this Committee pass S. 1994, as well as that it pass the full Senate.

Thank you for your time and consideration of this testimony.

COMMONWEALTH OF VIRGINIA,
COUNTY OF FAIRFAX,
Fairfax, VA, November 16, 1981.

Hon. DAVID STOCKMAN,
Director, Office of Management and Budget,
Washington, DC.

DEAR MR. STOCKMAN: The Fairfax County Board of Supervisors recently took action to participate as an umbrella sponsor for the second year in the United States Department of Agriculture (USDA) Child Care Food Program for family day care providers.

While the Board Supervisors supports family day care and this program, it expressed concern that the USDA Child Care Food Program for family day care providers is not specifically targeted at low income families. Further, we are in a period of budget and program reductions, some of which are impacting persons truly in need. Accordingly, we are concerned that this program serves all income levels, and would like to see the program's guidelines revised so that it is directed to meet the needs of those families with the greatest economic needs.

We would appreciate your review of this program to determine how the resources allocated to the program can be targeted to serving low income families.

Sincerely,

JOHN F. HERRITY,
Chairman, Board of Supervisors.

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AREAS OF AFFLUENCE—FAIRFAX AND MONTGOMERY LEAD CENSUS BUREAU'S LIST OF WEALTHIEST LARGE COUNTIES

(By Lawrence Feinberg)

Fairfax and Montgomery counties, the Washington area's two most affluent suburbs, are also the two richest large counties in the nation, according to a new compilation of data by the U.S. Census Bureau.

Four county equivalents called boroughs in oil-rich and high-priced Alaska have even higher median household incomes, the bureau said, but none of them has more than 20,000 residents. The highest is Bristol Bay, Alaska—median income $33,516, population 1,094.

The rankings, published in the Census Bureau's new County and City Data Books, come from the 1980 census.

Fairfax and Montgomery were also at the top of the county income heap in the 1970 census. At that time, the rankings were compiled according to median family income and placed Montgomery slightly ahead of Fairfax.

In the new data, incomes are given for households, including not only families which the census defines as married couples and their children living at home but also unmarried couples, roommates and singles.

By this reckoning the median household income for Fairfax is $30,011, more than a thousand dollars above the $28,987 reported for Montgomery, However. Montgomery is still slightly ahead of Fairfax in medium family income, $33,702 to $33,173.

"We decided to change what we rank because of changes in how people live," said Elizabeth Busse, a Census Bureau statistician. "In 1970 the family was the dominant life style. It isn't anymore. You have more people living in other types of households, and we began to think that households were more significant."

The medians are midpoints showing the amount of income that half of those in a certain group exceed and half fall below. In 1979, the year for which income data were collected by the 1980 census, median household income nationwide was $16,841.

According to earlier census reports, Washington remains the wealthiest large metropolitan area in the country, reflecting the relatively high income and stability of its large federal work force as well its position as the area with highest proportion of working women.

However, according to tax-return data, the Washington area has fewer people in the highest income categories than business and financial centers such as New York, Chicago and Los Angeles.

In the new compilation, Howard County, Md., is the ninth richest county in the country with a median income of $27,612, while Fairfax City is listed 20th at $25,810 and Prince William County, Va, is 25th at $25,435.

The rankings are for 3,137 counties and county equivalents, including the boroughs of Alaska, the parishes of Louisiana, and independent cities in Maryland, Virginia, Missouri and Nevada.

Other parts of the Washington area still rank relatively high, though their positions have dropped compared with 1970.

The median income for Prince George's County is $22,395, 79th in the country and down from 26th in 1970; Arlington, $21,713, 97th down from ninth a decade ago; Alexandria, $21,016, 136th, down from 87th; and the District, $16,211, 783rd compared to 406th in 1960.

Busse pointed out that some of the changes reflect the switch from family income to household income as a standard, and in average family an household size.

The new data book also gives information on a wide range of other social, political and economic characteristics.

For example, in a compilation of 952 cities with population over 25,000, Washington ranks second to Atlantic City with most city government workers per capita. Atlantic City, where gambling casinos are legal also has the highest crime rate for any city, while Washington ranks 101st.

In use of public transportation for getting to work. Washington ranks third, after New York City and San Francisco, slightly ahead of Jersey City and Boston.

In dependence on manufacturing, Washington ranks 11th from the bottom with 4.5 percent of its work force holding manufacturing jobs.

In median household income for cities. Bowie, Md, ranks 10th at $32,373, though this was considerably below several unincorporated areas in Fairfax and Montgomery, including McLean, Fort Hunt, Potomac and Bethesda. Two relatively small cities in California rank highest: Verdes ($41,973) and Saratoga ($41,143).

The county rankings also show that:

Los Alamos, N.M. has the highest proportion of persons over 25 with four years of college, 47.8 percent, followed by Pitkin, Colo., which includes Aspen, 46.2 percent. Five Washington area jurisdictions are among the top 10 in this category: Falls Church, 44.9 percent; Montgomery County, 42.8 percent; Arlington, 42.5 percent; Fairfax County, 41.8 percent, and Alexandria, 40.9 percent.

The highest median value for owner-occupied houses, excluding condominums, is in Pikin. Colo., which topped $200,000, the top price listed on the census form. Marin County, Calif., is second at $151,000, followed by Honolulu at $130,400. Four local jurisdictions are among the top 25: Montgomery, 13th at $97,400; Fairfax County, 15th at $95,200; Arlington, 21st at $92,900, and Alexandria, 22nd at $92,800. The counties with the highest percentage of persons living below the poverty level are Tunica, Miss. (52.9 percent), Starr, Texas (50.6 percent), and Owsley, Ky. (48.3 percent).

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Infant Day Care and Infant-Care Leaves

A Policy Vacuum

Edward Zigler *Yale University*
Susan Muenchow *Yale University*

ABSTRACT Current U.S. policy supports neither high-quality infant day care nor alternatives, such as paid leaves for infant care. Psychologists, on the basis of research showing the importance of quality care for infants, should support measures to protect day care quality and to help families afford decent care. At the same time, there are compelling child and family health reasons for psychologists to support voluntary, part-paid, six-month leaves for infant care. For four weeks preceding and six weeks following childbirth, working mothers would be eligible for a fully paid maternity leave. The remainder of the leave would be made available on a part-paid basis to either parent in any combination they chose.

There is a Catch-22 in current public policies affecting day care in the United States. High-quality infant day care is expensive (if it is available at all), with fees ranging between $3,000 to $4,000 a year in many communities (*Child Care and Equal Opportunity for Women*, 1981). While good-quality infant day care thus remains beyond the reach of many working families, taking time out from the work force to care for a newborn is increasingly a luxury parents cannot afford.

Current public policy toward infant day care in the United States can best be summed up as "let the buyer beware." Not only have direct federal subsidies for day care for low-income families been reduced by 20%, but also, under block grants, the federal standards designed to provide a minimum standard for the quality of care have been abandoned. As a result, some states, like Mississippi, have no statutory requirements regulating infant day care. Others, like Arizona, have extremely loose state licensing requirements, allowing one adult to care for as many as 10 children under two years of age even in federally funded centers (Administration for Children, Youth & Families, 1981).

Indirect subsidies for day care, in the form of a child-care tax credit, have expanded slightly to help offset the cost of care for some families. Working parents now qualify for a credit that ranges, depending on family income, from 20% to 30% of child-care expenses up to $2,400 a year for one child. But this credit benefits least the very lower-middle-income families who most need assistance with child care expenses, because the credit is nonrefundable and their tax liability may not be great enough to reap the full value of the credit. Furthermore, given the high cost of infant day care, frequently half again as expensive as preschool care, the maximum $720 tax credit does not begin to make high-quality infant day care affordable.

At the same time, despite the reluctance to help make infant day care affordable, or even to monitor its quality, the United States does little to make the use of out-of-home care for infants less necessary. This nation has one of the highest rates of female participation in the labor force in the world, and the fastest growing segment of the work force is among mothers of children under age three. Yet the United States stands alone among advanced industrialized nations in having no statutory maternity leave policy. Unlike 75 other countries, including Canada, France, and West Germany, the United States has no provision guaranteeing a woman the right to leave work for a specified period to care for a baby, and no job protection or cash benefit to help compensate for not working because of pregnancy or childbirth (Kamerman, 1980; Kamerman & Kahn, 1981).

Nor do the majority of employed women in the United States have access to maternity leaves under private insurance or company benefits. Despite passage of the Pregnancy Discrimination Act in 1978, which requires that companies provide the same disability benefits to women who must take time off because of childbirth as they do to employees temporarily disabled for other reasons, only 40% of employed women have access to any maternity benefits (Kamerman & Kahn, 1981). These private disability benefits rarely involve full wage replacement and tend to cover no more than six weeks of time. Moreover, the disability benefits, by definition, amount to a medical leave, not a newborn child-care leave.

Requests for reprints should be sent to Edward Zigler, Department of Psychology, Yale University, Box 11A Yale Station, New Haven, Connecticut 06520.

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There is no recognition that a healthy parent may have a psychological need for some time off to be with a new baby, or that a baby, in turn, may need some time to establish a relationship with at least one parent.

How have we come to such an impasse, where mothers and fathers of infants must be in the work force, psychologically safe day care is prohibitively expensive, and yet there is no funding to help either parent stay home for even a few months to take care of a baby? Unlike many European countries that have adopted day-care and maternity-leave policies as a pronatalist tool, the United States has at least until recently not been concerned about counteracting a declining birth rate. Nor has this nation, except in times of national crisis such as World War II or to combat rising welfare rolls, been motivated to advance day care as a device for encouraging women to join the work force. Furthermore, unlike many European countries, where there is a sense that society should help share the costs of childbearing, the United States has tended to believe that parents alone should finance the costs of bearing and raising children.

But there is also another important reason for the current policy impasse on infant day care in the United States, and that is the genuine difference of opinion among psychologists as to whether early group care is harmful to young children. Perhaps the late Selma Fraiberg (1977) best sums up one side of this debate when she, reflecting on her clinical experience, worries about "babies . . . who are delivered like packages to neighbors, to strangers, to storage houses like Merry Mites" and about what she sees as a resulting increase in the "diseases of non-attachment." On the other side, Jerome Kagan argues, on the basis of a study of children who entered day care as early as age three-and-half months, that day-care children are no more or less attached to their mothers than are young children raised exclusively at home (Kagan, Kearsley, & Zelazo, 1978).

Although empirical studies have produced little evidence that infant day care disrupts parent-child attachment or impedes the infant's cognitive development (Rutter, 1982), most of these studies have been conducted in high-quality, university-based centers with plenty of trained caregivers, not the kind of care most infants are in. Only 17% of children in out-of-home care are in licensed day-care facilities; the rest are in unlicensed family day-care homes (Ruopp & Travers, 1982). Few of the licensed facilities meet the conditions for safe infant day care laid down by Rutter (1982), who recommends that one adult caregiver be responsible for no more than three infants (the same staff-child ratio proposed by a coalition of child advocacy groups for revisions in the Federal Interagency Day Care Requirements 1978). As for unlicensed family day care, this t of infant care varies the most in quality, with ranging from the excellent to the horrible (Key ling, 1972). Finally, few of the existing studies clude children who entered day care as early a few weeks after birth, a relatively recent pheno non. To sum up, the amount of research on in day care is not commensurate with the serious of the issue, and few of the existing longitudinal s ies focus on the type of day care most infants tually experience.

The fastest growing segment of th work force is among mothers of children under age three

While disturbingly little is known about quality of infant day care in the United States, th is increasing evidence that the quality of care n ters. And this is where psychologists should be to agree and to join together to support meas to protect day care quality and to help families ford decent care. Small group size and a suffic number of adult child-care workers are crucial the quality of care, according to the National Care Study (Ruopp, Travers, Glantz, & Coel 1979). The study found that when infants w placed in too large groups with too few adults, babies cried more or became withdrawn and a thetic. Lack of sufficient attention even led to posure of infants to potential physical danger. F thermore, as a study by Farber and Egeland (19 indicates, infants who experience frequent chan in caregivers do exhibit the kinds of anxiety insecure attachments to their mothers that critic infant day care have long predicted.

There are also indications that caregiver tra ing influences the outcome of infant day care. A cording to the National Day Care Study, child ca workers with some training in early childhood e ucation, child development, or day care spend m time playing and talking with children and prais comforting, and instructing them. The children turn, do better on standardized tests (Ruopp et 1979). Sufficient verbal interaction between ca giver and child seems to be one of the keys to care quality, with positive effects not only on c dren's language development, but also on th emotional adjustment (McCartney, Scarr, Phill Grajek, & Schwarz, 1982). Although more resea is needed to identify other special features of c care quality, these preliminary findings should

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brought home to Congress to show why federal standards for day care, particularly infant day care, are so vital.

Attention to infant day care standards alone is not enough, however. Given the expense of providing good-quality infant day-care (Ruopp & Travers, 1982) and the risks of settling for anything less, psychologists should also support alternatives to infant day care, such as a voluntary, six-month infant-care leave. Part of what we are advocating is a fully paid maternity leave to be taken up to four weeks prior to the birth and six weeks after. This option would help many working mothers through the fatigue that frequently accompanies the last weeks of pregnancy, and the initial recovery from childbirth up to the standard postpartum checkup following delivery. The six-week paid maternity leave would also contribute to the baby's physical well-being. There is a growing body of medical evidence concerning the protective benefits of breast-feeding (Udall et al., 1981). Given adequate job and income protection, many mothers would choose to stay at home for at least the first six weeks, when feedings take place at close, frequently irregular intervals.

The remainder of the six-month leave, on a part-paid basis, could be taken by either parent in any combination they chose, and its purpose would be to help ensure that the parent–infant relationship gets off to a smooth start. Recognizing the nonmedical reasons for the infant-care leave, it should be made available to adoptive as well as biological parents.

Although the six-month time limit on the proposed leave may seem arbitrary, and certainly deserves further study and consideration, we offer several reasons for proposing it. First, the process by which parents and infants communicate with each other is a subtle one in which each partner has to learn to pick up the other's cues. It takes time for this process to develop, and both parent and infant could benefit from a six-month get-acquainted period. By the age of six months, the infant's sleeping patterns are better established, and many breast-fed infants are weaned. Until a baby reaches six months of age, both parents are apt to suffer from frequent interruptions in their own sleep, and there is the added stress of just making room for a new human being. Although family coping strategies vary greatly, and although no parent should be forced to take an infant-care leave, there are compelling family as well as child-health reasons to make this leave available for a period of up to six months.

Support for offering a six-month infant-care leave also comes from the second thoughts many countries seem to be having about early entry into day care. Partly, the Europeans seem to have adopted maternity leaves as a way of making childbearing more attractive to working parents; partly, there has been a continuing concern about relatively high rates of infection in day-care centers (Kamerman & Kahn, 1981). In short, there seems to be a general consensus in many countries that it is better for the physical and emotional well-being of mother and child if women stay home for at least a few months before returning to work.

Finally, we propose an optional six-month leave for infant care because this seems to be a feasible length of leave from work. In a study of child-care policies in 75 countries, Kamerman (1980) found that the average length of paid leave is between four and five months—the longest being nine months and the shortest being three months. Benefits average between 60% and 90% of a woman's wage, and the vast majority of women take advantage of the option. In Sweden, where child-care leave is available to fathers as well as to mothers, only 5% of fathers take at least one month of paid leave (Lamb, 1982). However, male eligibility for the benefit is said nonetheless to have mitigated against possible employment discrimination against young women (Kamerman & Kahn, 1981). None of the countries seem to think in terms of paid child-care leaves of more than a year, both because they would be too expensive and because few working parents, even with their seniority and job protected, could afford any more interruption in their work.

Precisely what methods should be used to expand access to decent-quality infant day care and infant-care leaves will require further debate. But it is a debate psychologists have a responsibility to inform. With respect to infant day care, one possible method would be to alter the current child-care tax credits so that larger credits are granted for infant care, which is more expensive than preschool or after-school care because it is even more labor-intensive. This recommendation would be in keeping with a developmental approach to day care. Representative Barber Conable (R–New York), one of the original sponsors of the child-care tax credit legislation, has also proposed making the credit refundable and raising the maximum credit to 50% for those with incomes under $10,000 per year.

As for paid maternity and infant-care leaves, thinkers like Secretary of Health, Education and Welfare Wilbur Cohen, as well as Kamerman and Kahn, strongly urge making such benefits available through some form of social insurance. If efforts to extend maternity or infant-care leaves are confined to the private sector alone, they argue, large numbers of working parents will continue to go without coverage. One possible method would be to extend maternity leaves through state disability insurance. Five states (California, New Jersey, Rhode Island, Hawaii, and New York) already extend some ma-

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ternity benefits to women under their statutory provisions for short-term and temporary disability leave (Catalyst, 1981). Although benefits are low, and although they would, by definition, cover only the first few weeks of *maternal* disability after childbirth, this may well be the place to begin (Kamerman, Kingston, & Kahn, Note 1).

Psychologists should support a voluntary, six-month infant-care leave

Another possible method for extending maternity and infant-care benefits, which has won favor with some conservatives, is to increase the personal tax exemption for the year in which a child is either born or adopted. As a small step in this direction, the Economic Recovery Tax Act of 1981 contained a provision allowing a $1,500 exemption for the adoption of certain children with special needs (Muenchow & McFarland, 1982).

Any recommendation to extend social insurance or tax benefits to cover maternity and infant-care leaves may seem hopelessly out of touch with current fiscal realities. Although research is needed to determine the precise costs of extending such benefits (along with the cost of *not* doing so), there are some indications that part-paid six-month leaves for infant care would not be too costly. First, women's participation in the work force increasingly resembles that of men. When women are given maternity leaves, they do not stay out of the labor force permanently, but rather return soon after, perhaps with increased company loyalty. Furthermore, the new demographics show that an increasing number of married women are delaying childbirth until their careers are more established and that they are having fewer children—closer to two children than to three. Thus, when we recommend offering infant-care leaves, what we are really talking about is subsidizing two six-month leaves per family—not a very large amount of time when we consider that women, like men, have approximately a 45-year work span.

Women are in the work force to stay, and it is long past time for the United States to make some accommodations in policy to recognize this fact. Childless families may ask what stake they have in subsidizing infant-care leaves or day care for other people's children. But as families have fewer children, both present and future generations will have to rely on a proportionately smaller adult labor force to support both the very young and the very old. A Nicholas Hobbs often states, now that America are having fewer children, it behooves us to inve as much as we can in the children we have.

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Increased Demand for Day Care Prompts a Debate on Regulation

Allegations of Child Abuse Are Cited in Call for Federal Intervention and Tighter Standards

By ROBERT LINDSEY

Special to The New York Times

LOS ANGELES, Sept. 1 — The explosive growth in the demand for child care and widely publicized reports of the sexual abuse of children at day-care centers in New York and California are raising questions about the quality of such care and the need for increased regulation.

Laws governing child care vary widely from state to state, and many officials say they have neither the manpower nor the money to enforce even the limited standards now in effect.

Many of these officials and other experts on the subject are critical of Reagan Administration policies that since 1981 have reduced Federal subsidies for day-care services to low-income families and have cut grants formerly used to help pay for the regulation of other child-care programs.

Minding the Children

How good is day care?

First of three articles.

Some social workers and officials contend that the Federal Government should intervene, setting uniform national standards for child care.

The Reagan Administration argues that such standards are not necessary and that cuts in financing, part of a broad campaign to hold down Government spending, have not denied essential services to truly needy Americans.

One critic of the Administration, Sheila B. Kamerman, a professor of social policy and planning at Columbia University, said that in a society that "has had the best child-development research of any country in the world, to not do more to ensure the quality of care that children receive while their mothers are working seems unconscionable."

"The problems with day care in this country are systemic," said Edward Zigler, a professor of psychology at Yale University. As director of child development in the Federal Department of Health and Human Services, he headed a 1980 effort to draft national standards.

Noting that some states permit a single adult to look after as many as eight infants, he asked, "How could one caretaker get eight babies out of a burning building?"

"It's too bad it takes a sex scandal to make us recognize our problems," Dr. Zigler added, referring to recent allegations that children have been sexually abused at centers in the Bronx, in Manhattan Beach, Calif., and elsewhere. Without higher standards and their enforcement, he said, the country "is simply guaranteeing that these kinds of scandals" will occur.

Growth in Outside Work

In the New York case, six employees of city-financed day-care centers in the Bronx have been charged since Aug. 2 with sexually molesting children. In California, prosecutors allege that seven employees of the privately owned McMartin Preschool in Manhattan Beach molested more than 100 babies and small children in the last decade.

Questions about the quality and safety of day care are gaining in importance with the mushrooming number of mothers who work outside the home and therefore need child care.

Since 1977, according to data compiled by Federal agencies, the number of children 5 years old or younger whose mothers are employed has increased by more than 30 percent, to nearly 10 million.

In all, says Dr. Kamerman of Columbia, the mothers of 52 percent of American children 6 years old or younger and the mothers of 40 percent of children 3 or younger now have jobs outside the home.

She and other researchers note that demand for child care has been growing especially fast among the mothers of children 2 or younger and among college-educated women. An increase in the number of single fathers has also contributed to the demand.

No one knows exactly how many child-care centers there are in the United States. The Bureau of the Census says that in 1982 there were 30,750 places whose principal receipts came from providing child care, an increase of 25 percent over 1977.

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Custodial and Educational

Their operations vary widely, from informal arrangements in which one mother charges another a few dollars a day to look after a child, to large nurseries run by schools, churches, charities, corporations and, occasionally, employers.

In general, the organized programs accept children too young for kindergarten. Researchers divide these programs into two major categories.

Roughly a third are centers subsidized by social welfare agencies for the children of less affluent families. They provide custodial care, primarily.

The second category, in which both custodial care and some kind of educational program are usually offered, is generally not subsidized. These are the places most often used by middle-class and more affluent families. Some large companies offer their employees such programs as fringe benefits.

The best programs, academic and government experts agree, are those directed by teachers with training in early childhood education and actively involving mothers.

25% Have Professional Training

Only about 25 percent of the employees in child-care operations around the country have had professional training in dealing with children, according to the National Association of Social Workers, a professional group representing most of the nation's social workers. Many of the employees with such backgrounds are women who were teachers, nurses or social workers before leaving their careers to raise families.

Social workers say most child-care centers are well-run and safe. But they say the growing demand for child care is luring ill-trained or otherwise unqualified people into the field.

Many social workers contend that few states or cities have adequate safeguards to prevent the abuse and neglect of children at such operations. Most states check the background of potential employees at child-care centers, but critics assert that the checks are frequently so cursory that people with criminal backgrounds can slip through unnoticed.

Fingerprinting in California

California requires that new employees at child-care centers be fingerprinted as part of a check for police records or accusations of sex crimes. Although many centers obtain state licenses and comply with standards for such things as space, fire safety, kitchen and sanitary conditions and staff-to-child ratios, the experts say thousands ignore the standards and operate without licenses.

In the face of such uneven regulation, many social workers are pressing for the adoption of Federal standards.

Minimum U.S. Standards Urged

Helen Taylor, a manager for a company that operates 20 day-care centers in the nation's capital, said: "We have set Federal standards for the safety of automobiles and buses. We have set standards for railroads and highways. Why shouldn't we set minimum standards for those who care for our greatest resources, our children?"

But she and other advocates of Federal standards are running into a wall of opposition.

Many state licensing officials contend that Federal rules are unnecessary and would be difficult to enforce. Officials at many church-affiliated centers say such regulations would unconstitutionally infringe on their religious independence. And the operators of a rapidly growing number of private, profit-making centers say Federal standards would increase their costs and prices, putting day care out of reach for many working mothers.

1981 Regulatory Move Stopped

In 1981, after intense opposition from the industry and from fundamentalist religious groups in the South, the Department of Health and Human Services withdrew a proposal to establish standards for about 11,000 day-care centers that receive Federal money. Critics saw the proposal as a first step toward the Federal regulation of all child-care operations.

The rules would have established limits on the number of children one adult may supervise, set minimums for training and other qualifications of staff members, and imposed a variety of other standards.

The drive that caused their withdrawal was led by an expanding industry that is playing a role traditionally performed by the family, the church or friends.

The industry, which barely existed 15 years ago, now includes corporations large enough to be listed on the stock exchanges. Some of their centers are run by franchise holders, and others are operated by the corporations themselves.

Market Pressure for Quality

Social workers emphasize that the quality of care provided at such centers, while often of a high standard, varies widely. Executives in the industry argue that their companies have brought professional management and standardized service to what had been primarily a cottage industry.

To some extent, they contend, the competitive forces of the marketplace will force high-quality service without Federal standards. Although some social workers agree, at least in part, they note that high-quality service is expensive. And they worry about an emerging two-tier system of child care: one for those who can afford the best and another for the poor, who must rely on subsidized programs receiving less and less aid from Washington.

Whatever the outcome of the debate over regulation and financing, however, the day-care chains are expected to continue growing. Carole Rogin, executive director of the National Association for Child Care Management, a Washington lobbying organization for the industry, said, "It's an industry that's heavily driven by the demographics of change." She cited the women's movement, economic pressures to maintain a decent standard of living and the high divorce rate.

Companies Cite Labor Costs

There are more than 100 day-care chains, with the largest, KinderCare Learning Centers of Montgomery, Ala., running about [illegible] centers. Other big companies are LaPetite Academy of Kansas City, Mo.; Children's World of Evergreen, Colo., and National Child Care Centers of Houston.

Typically, they pay their employees, even college graduates, less than $4 an hour. Company executives say keeping labor costs down is the key to the companies' survival and to keeping rates low enough to be affordable to single parents.

"It's a very labor-intensive business," said Miss Rogin of the lobbying group, which opposes Federal regulation. The 1980 proposal, she argued, would have driven up the cost of child care by a third or more because it would have forced the hiring of more people. "It does nobody any good if people who need it can't afford it," she said.

Still, others argue that existing safeguards are not enough and that the problem is likely to grow. They say more women, driven by economic necessity or cultural values that have reduced the status of motherhood in favor of paid work, will enter the work force. And they say poorly qualified entrepreneurs will seek to meet the ensuing demand for child care.

"What we're seeing has all kinds of ramifications," said Mervin D. Field, a San Francisco public opinion analyst who has reviewed the problem. "Women are going pell-mell into the labor force, and they've been desperate to get someone to take care of their kids. There's been such a demand that some of these day-care centers are no more than warehouses operated by untrained people who are just a notch above street people."

Dr. Zigler of Yale, who headed the unsuccessful 1980 effort to draft standards for day-care centers, argued that, while it might not be realistic to propose Federal rules now, steps should be taken to allow the states to benefit from Government research. "At the least," he said, "there ought to be a national conference on this" so that "each state doesn't have to rediscover the wheel."

Different Places, Different Needs

David Beard, director of day-care licensing for the State of Texas, said in an interview that what child-care centers needed was not Federal standards but more money, more help from parents and more cooperation from law-enforcement officials.

"I don't think you can have national standards," he said. "What might be appropriate in New York would not be in Austin, Tex. In Texas, we have standards for swimming pools. New York might have different standards on heating."

Mr. Beard, who is president of a national organization of state licensing officials, conceded that state regulations governing child care varied widely. But he said the quality of child care was probably more affected by shortages of money to enforce regulations while the number of centers was growing rapidly and by a reluctance among officials to prosecute abusers.

Proving Molestation

He asserted that prosecutors tended to think of child-molesting cases as difficult to prove in court, in part because of skepticism about parents' emotional complaints and in part because children are often imprecise witnesses.

"Over the last seven years, the caseloads have gone up and up, but most of the states which previously had an adequate staff to do the regulations have sustained really serious staff cutbacks," he said.

Citing Texas as an example, he said: "Since 1977, despite a 130 percent increase in the number of facilities, there's been a [illegible] percent decrease in the number of inspectors. We've gone from four inspections a year, to three, to two and now one every six to nine months."

And Texas, Mr. Beard added, checks licensed child-care operations more often than most states. California inspects such places only once every three years unless a complaint is received from the public.

Mr. Beard said the problem was exacerbated by cutbacks in Federal aid, by a national economy that until a year ago was in a slump and by public dissatisfaction with taxes and Government regulation.

"The mood against regulation of business has spread over to the regulating of human services," he said. "I think it's particularly tragic to reduce enforcement when it comes to children, who don't have a voice for themselves."

More At Risk to Abuse

For all the debate over whether Washington or the states should regulate child care, many social workers and licensing officials agree it will take more than new rules and stricter licensing to end the kind of abuse that is alleged to have occurred in the Bronx and Manhattan Beach programs.

There is general agreement that the growth of child-care services has caused at least a statistical rise in the incidence of sexual abuse, simply because more children are at risk.

Larry Bolton, assistant chief counsel for the California Department of Social Services, which regulates child-care centers, said the number of licenses revoked for abuse of children had increased tenfold since 1978, to about 200. Most of the cases involved sexual abuse.

W. H. Dworin, a detective in the Sexually Exploited Child Unit of the Los Angeles Police Department, said molesters appeared to be trying more frequently to gain employment in, or otherwise associate themselves with, child-care operations.

But according to Anne Cohn, director of the National Committee for the Prevention of Child Abuse, few molesters employed by child-care centers have police records that would alert the centers to the danger they pose.

Abuse in Range of Settings

She emphasized that many more cases of sexual abuse occur in the home, in schools, athletic facilities, youth camps and other settings than in day-care centers.

"I don't think fingerprinting day-care workers is the answer," Dr. Cohn said. "If you do, you're giving parents a false sense of security. If we go on a witch hunt against our day-care centers looking for sexual molesters and think it's going to make a dent, we're wrong."

Licensing officials said improved screening of potential employees might help prevent the hiring of child molesters, and some states have tightened their screening since the widely publicized cases in California and New York. Texas, for example, enacted a law requiring a check for any criminal background among new employees at child-care centers.

Teaching How to Say 'No'

But officials contend that the ultimate responsibility for stopping or preventing such abuses must rest with parents. "The best thing a parent can do is help their child know how to say 'no' to sexual abuse," Dr. Cohn said.

Mr. Beard, the Texas official, said: "We regulators have really not come up with a good way of further reducing the chances of this kind of abuse. I don't know what we can do, much short of requiring a psychological or psychiatric examination, and that's totally outside the realm of reality."

"Parents need to shop very deliberately for child care," he added. "We've had instances where parents will call a day-care center and say, 'I've got to be at work at 8 o'clock in the morning. Can you take my baby at 7:45?' I hear stories like that all the time.

"This should be a partnership between the parents and the state. Parents should discuss with their children, 'What happened today? Did anything out of the ordinary happen?' The trouble is, unfortunately, I think a lot of parents don't want to admit to themselves that such a horrible thing could happen. They don't want to feel guilty for putting their children in a position to be molested."

Next: Day care ranges from excellent to mediocre.

Parents Find a Wide Variety Of Day-Care Quality in U.S.

By LESLIE BENNETTS

Special to The New York Times

MINNEAPOLIS — In one room, a group of 3-year-olds are learning about Mexico; some are inspecting a map and a story book with a young teacher, while others glue orange and yellow crepe paper to a piñata they are making from a brown paper bag.

In another room, children 4 and 5 years old are learning about the Plains Indians; they have made paper tepees laced with yarn and are stringing beads on Ojibway [illegible].

Interspersed with these activities are singing, dancing, playing in the sandbox, hanging on the jungle gym, napping, finger-painting and other such diversions. It is a typical morning at the Hallie Q. Brown Community Center, a day-care facility in St. Paul that serves children from lower-income as well as more affluent families.

Minding the Children

How good is day care?

Second of three articles

Parents pay [illegible] a week for each child at the center. At two other day-care facilities nearby, the cost is the same, but there are striking differences in the programs and types of care offered, as well as the physical environments in which the children typically spend 50 hours a week.

In a quiet middle-class neighborhood in St. Paul, Donna Glaser is looking after 12 children in her modest home. The children, who range in age from 1 to 5, are playing in a desultory fashion in a small room at the back of the house where they are supposed to stay when they are not outdoors. Some are fiddling with a puzzle while others sit on the floor playing with blocks, trucks and other toys. The 1-year-old is crying, not loudly but persistently, in a disconsolate wail. Mrs. Glaser is in the kitchen spreading peanut butter on white bread for snack time.

A few miles away, in her apartment in a federally subsidized housing project, Willie Lee Jefferson is caring for a group that includes two of her grandchildren. Mrs. Jefferson, a parent of 8 and grandparent of 21, started caring for other people's children when she was on welfare. Eventually she got off public assistance, and for nine years she has been a licensed family day-care provider.

The furniture in the small apartment is sparse and shabby, but the console television is large; it is tuned to "The Young and the Restless."

Mrs. Jefferson says that she and the children also like to watch game shows like "Family Feud" and "Wheel of Fortune." At the moment, the children are alternately watching television and chasing one another around the apartment, scooting past a large, whirring fan. Its protective grille is broken, with a hole through which a 3-year-old could easily plunge a hand if he tripped [illegible].

While child-development experts debate the effects of day care, it has become an unavoidable fact of life for an unprecedented number of American parents and children.

Fifty-two percent of the mothers of children younger than 6 are in the labor force. Even in families in which both parents work full time, the responsibility for finding day care more often falls upon the mother than the father.

For these parents, day care is not a concept to be debated but a necessity they cope with as well as they can, given the limitations of family finances, the availability of care, the location of care facilities and other circumstances. "Day care is never good enough, it's just adequate, and the cost is horrendous, but it's a necessary evil, because people have to work," says Barbara [illegible], a Texan with two children.

Although parents naturally want the best for their children, many admit that a shortage of choices has forced them to settle for less-than-ideal day care. Parents who drop off their children at a care facility in the morning and pick them up at night often do not know what kind of care the children are getting in between. According to those who have studied it, the quality of day care in this country varies dramatically.

From Bare to Beautiful

"You have every kind of quality," says Dr. Sheila B. Kamerman, a prominent child-care expert who is professor of social policy and planning at Columbia University. "There are first-rate programs that meet all the usual criteria — small group size, high staff-child ratios, well-trained staff, good equipment, an attractive environment, all kinds of nurture — and then there are programs that are dreadful, with very large groups, very limited staff of poor quality who are not interested in the children and not responsive to them, and a physical environment that has limited equipment or other problems. Like center care, family day care, the care of children in somebody else's home, also ranges enormously, but that's the type of care we know least about."

Nor do even the best-informed specialists offer anything but educated guesses as to the proportion of day care that could be termed good, bad or mediocre — an assessment particularly difficult to make about family day-care homes as opposed to day-care centers.

"We just don't know what the distribution of quality is," says Dr. Alfred Kahn, a professor at Columbia University who has collaborated with Dr. Kamerman on several studies. "Nobody has done a big enough sample in enough states to give a picture of what the average is.

"And about 90 percent of the family day care in this country is underground. It's not licensed, it's not regulated, and you have to assume that a lot of it is very low quality. We have some excellent care, and the research shows that either kids gain or aren't hurt by day care. However, the research hasn't gone into places that aren't licensed and aren't standardized, so I would have to guess that there are a lot of terrible things out there."

Mediocre Care Called Common

Recent scandals involving day-care facilities in the Bronx and in Manhattan Beach, Calif., have made headlines, as have charges of physical or sexual abuse in many other communities. Such abuse probably happens far more often than it is discovered, say cases in the day-care field, but it is impossible to determine how prevalent it is, just as no one really knows how often physical or sexual abuse of children occurs within families.

However, most experts suspect that short of outright abuse, mediocre or inferior child care is relatively common. "The majority of children are not receiving good quality day care, if you define 'good' as the kind of quality you want for your own child," says Barbara Bowman, director of graduate studies at Chicago's Erikson Institute for Advanced Study in Child Development.

For parents, the search for quality care can be harrowing. "It's been many weeks of many sleepless nights," says Judy [illegible], who has been looking for infant care for her 6-month-old son. "I was a nervous wreck. It's taken up so much time and energy."

One reason for dramatic discrepancies in the quality of care is a lack of uniformity in state licensing standards, which vary greatly in regard to minimum staff-child ratios, considered an important index of quality, as well as other factors. "State standards are in many instances very lax," Mrs. Bowman says.

"Although standards don't guarantee quality in a center, the absence of them frequently militates against quality," she says. "Some states have no requirement that there be a curriculum or a planned program, so it is possible to have children just mill around, and if you have 10 3-year-olds milling around, you have chaos. State standards can help keep the quality of programs higher by requiring that they have certain equipment present and that workers have certain training, but many states don't require that even the director of the program have any training at all."

Low Wages for Employees

Most analysts cite the economics of how day-care centers are run as perhaps the single greatest deterrent to high-quality care. "Eighty percent of the cost of day care is personnel, and if you try to hire people with bachelor's degrees as care-givers, your costs are too high," says Dr. Irving Lazar, professor of human service studies at Cornell University.

According to Helen Blank, director of child care at the Children's Defense Fund in Washington, "Two out of three center-based care-givers earn below poverty-level incomes, and 87 percent of family day-care workers earn below minimum wage."

Poor wages contribute to high levels of staff turnover at many day-care facilities, even high-quality ones, creating a lack of continuity many child-development specialists see as further impairing the quality of care.

"I didn't know what the bottom of the barrel could be until I went into day care," says Barbara Harris, a teacher at the Hallie Q. Brown center in St. Paul. "You live from check to check. With a family, it would be impossible to make it on this salary. I like day care, but I don't think I could see myself continuing to live on the income I have."

Even though wages are low for day care employees, day care constitutes a major expense for many families.

"It's a real problem, especially for low- and middle-income parents," says James Strickland, executive director of Child Inc., a child-care agency in Austin, Tex. "The costs are constantly increasing, and there's greater and greater competition for the best care-givers, and a lot of parents are just not able to afford it. There's no main rule of thumb, but economics is probably the primary indicator of the quality of service you can obtain.

"There's a great deal of concern now among parents about developmental versus custodial care, but the cost for good developmental care is just prohibitive. I think most of the time low-income parents, and many middle-income parents, do have to settle for custodial care; developmental care becomes a luxury they can't afford."

Range of Choice a Luxury

Another luxury is a range of choices, since the burgeoning numbers of children in day care have created a crisis of supply and demand in many communities.

"The growth in the demand for day care is not being met by a commensurate increase in the availability of quality day care," Mrs. Blank reports.

As a result, parents often find they must sacrifice their initial ideal of what day care ought to be to more mundane concerns like travel time to a facility, cost, schedules and other such concerns.

"I had originally thought I wanted someone that was like my grandmother, someone who wasn't in it for the money but who just loved children," says Denise Marshall, who lives in Tampa, Fla. "Not only didn't I find that, I've never been in a situation where I felt I had so few alternatives that were acceptable."

The shortage of available services is particularly acute for infants. Forty-six percent of women with children under the age of 12 months are now in the labor force, and since many day-care services will not accept infants, parents of infants often find they must compromise on quality and settle for whatever care they can get.

"The fastest-growing population of working mothers are mothers of children between zero and 3 years old," says Barbara Bowman of the Erikson Institute, "and infant care is in short supply everywhere. Most of the infant-care programs in Chicago have long waiting lists. Your kid could be 3 years old before you get him into an infant-care program."

Infant care is also more expensive, primarily because more employees are needed to care for babies than for older children. For example, at the I.S.I. Caring Center for Children and Parents, a day-care center established by a computer data concern called the Institute for Scientific Information in Philadelphia, the charge for children aged 3 to 5 is $60 a week, whereas infant care costs $[illegible] a week.

Quality care can have different meanings in different types of care facilities. Obviously, a center with a larger group size and a planned curriculum offers a different kind of experience than a family day-care provider who stays home and takes in other people's children for the day. While many parents hold firm convictions in favor of one kind of care or another, most child-care experts caution that generalizations often do not hold up under scrutiny.

Many parents say they believe their children will receive more nurturing care in a family home than in a center. With increasing frequency, however, parents are also becoming aware that home care may involve other risks.

"Having my daughter in a home seemed more personal to me," says Nancy Friend, an Atlanta mother with an 8-month-old girl. "I thought it would be a quieter atmosphere, and she'd have a one-to-one relationship with one person instead of a lot of different people taking care of her. But there's no outside supervision, so you really have to trust that person. You don't have any way of knowing what's going on in that house or what might happen when you're not around."

Abuse Can Happen Anywhere

Even when they do trust a day-care provider, some parents receive horrifying shocks.

"I put my daughter in a center because she was in a family home where she was sexually molested by the [illegible]-year-old daughter of the woman taking care of the kids," says a Minneapolis mother whose child was only 3 at the time. "The mother was just like a mom to me, and you never would have thought something would happen in that home environment. But I think it happened repeatedly. I'm just hoping and praying it doesn't affect my daughter later on."

Although many parents fear that such abuse is more likely to happen in a home, child care observers question that assumption.

"I don't feel parents should choose a center rather than family care because they think children are safer from abuse," says David Allen, executive director of Resources for Child Caring, an information, resource and referral agency in St. Paul. "It can happen anywhere. The issue is that wherever the care is, parents need to check it out, get references and continue to pay attention."

The need for parents to pay attention, both to their own observations about a day-care arrangement and to their children's responses, is a frequent refrain among child-development specialists.

"The best way a parent can tell is how do the kids feel about going," says Dr. Lazar. "Do they come out smiling? Often parents don't [illegible] enough attention to how children feel about a place. In the best centers, kids learn things and come home exploding with energy. They're eager to go, and they ask on holidays if they're going. You can find [illegible] places like that, but more often you don't."

Most frequently, Dr. Lazar explains, "The problem is really a kind of benign neglect."

"Half the time, in commercial centers, they're not beating the children, they're not starving the children, they're not mistreating them, they're just not doing anything," he says. "They're providing no stimulation, [illegible] or planned activity, the kids are just walking around or watching television. These places are what I call child hazards. To me they're the most devastating places, because the child is spending most of the day in a place where no one cares."

Parents often choose center care because they believe that centers offer a more structured learning experience than home care, even that provided by the parent.

"I think my daughter gets a lot of stimulation in her center that she wouldn't get even if I were home," says Carolyn [illegible], parent of a 3-year-old. "I probably would not take the time to do all the things they do with her. I'm really impressed with how much she's learned. I had her in a home before, and the lady was kind, but I felt my daughter needed more structure and more stimulation in her life."

Like many parents, Mrs. [illegible] found a day-care arrangement she is comfortable with only through trial and error. Sharon [illegible], an Atlanta resident who has a 3-year-old daughter and a 1-year-old son, has had them in six facilities in the last year. She made each change for a different reason: once because the children were hysterically unhappy, once because she thought a program did not offer enough stimulation, once because she believed a home was dirty and the children came home smelly and unkempt, once because the [illegible] family moved and once because the day-care provider developed a terminal illness.

"I've been upset constantly, just trying to find day care I could live with," Mrs. [illegible] says. "I can't believe how hard it was."

Less Public Support

And there is evidence that the situation is getting worse, particularly for subsidized day care.

The Children's Defense Fund recently surveyed [illegible] states to determine the effects of Reagan Administration cuts in child care. The study found that [illegible] states were serving fewer children in [illegible] than in [illegible]; that most states had not made up for Federal budget cuts, and [illegible] states were spending less for child care in [illegible] than [illegible], and that [illegible] states had made changes diminishing the quality of care. The result, Mrs. [illegible] reports, is that "families were pushing children to less satisfactory child-care arrangements, and too many children are being left by themselves, including some children under the age of 5."

More parents are becoming aware of the range of quality in day care, and some specialists believe that an educated consumer will demand better services. However, many child-care experts say that the situation will not really improve unless society places a greater value on the care of children.

"We act as though people taking care of children are simply unskilled baby sitters we can exploit," says Dr. [illegible]. "We haven't realized yet that if you're going to create a [illegible] care outside the home, it's going to require some investment in the training of personnel and the development of programs to do it adequately. If you're going to go away for eight or 10 hours a day, you want somebody who is capable of providing an enriching experience as well as care and safety. At all ages, children ought to have cognitive stimulation as well as social and emotional support. And ultimately, the quality of your society is dependent on the investment you make in your children."

Next: The impact of day care on children and families.

THE NEW YORK TIMES, TUESDAY, SEPTEMBER 4, 1984

Experts Debate Impact of Day Care on Children and on Society

By GLENN COLLINS

Twenty years after the first studies of day care in America, social scientists are debating its effect on the very young and expressing increasing concern about the impact of low-quality care on children's development.

They are also questioning the long-range effects on a society in which ever-growing numbers of adults will have been raised in day-care settings.

"It was primarily mothers who took care of babies for millennia, and this is no longer the case," said Dr. Edward Zigler, Sterling Professor of Psychology at Yale University. "We don't know what it's doing to family bonds or to the future shape of society — because as families go, so goes society."

Social scientists note a shift in the use made of their research, which no longer fuels a controversy over whether day care is advisable. "You can't debate whether children should be in some form of day care or other — that's nonsense," said Dr. Sheila B. Kamerman, professor of social policy and planning at Columbia University. "It's a fait accompli for women in every sector of society, and the question is not whether, but how to do it in as enhancing and supporting a way as possible."

'So Much We Don't Know'

Many child-development experts and specialists in early education cited the sizable and growing body of knowledge about the effects of day care, although "there is still so much we just don't know," stressed Dr. T. Berry Brazelton, the Harvard University Medical School professor who is chief of the division of child development at Children's Hospital Medical Center in Boston.

Nevertheless, the research has disclosed "quite a lot about the conditions that most positively affect children in day care," said Dr. Jay Belsky, an associate professor at Penn State University who is to represent the American Psychological Association in testimony before a Congressional committee tomorrow.

"We know that where the staff ratios are reasonable, where the groups of children are not too large and where the care-givers are well trained and attentive to the children, the kids do fine," Dr. Belsky said. "The outcome is strikingly consistent with what we know about the development of kids raised at home."

Much of the research underscores the importance of choosing the right people to provide the care. Studies have shown that the educational theories behind the curriculums of day-care programs are less important than the skill, training and responsiveness of the personnel.

Effects and Importance of Family

Researchers are also beginning to learn more about the effects of day care on the family and are realizing how important the family can be in early learning.

"Day care is increasingly being thought of not as substitute care, but rather as a supplement to the family," said Dr. Bettye M. Caldwell, a professor of child development and early education at the University of Arkansas at Little Rock. Dr. Caldwell, the coauthor of a pioneering 1964 study in Syracuse, heads the National Association for the Education of Young Children, a 40,000-member professional group.

Minding the Children
How good is day care?
Last of three articles

Although the Syracuse project was the first important study of day care in America, earlier research on children's development by such investigators as Dr. J. McVicker Hunt of the University of Illinois and Dr. Benjamin Bloom of the University of Chicago led to the establishment in 1965 of Project Head Start, the Federal program that addresses the educational, health and nutritional needs of economically disadvantaged children 3 to 5 years old.

Little Effect on Middle Class

Subsequent research has suggested that enrichment programs like Head Start have significantly benefited poor children as well as those with physical or emotional handicaps.

As for the development of children from middle-class families, "in a sense, day care doesn't seem to make that much of a difference," said Dr. Urie Bronfenbrenner, professor of psychology and human development at Cornell University. He explained: "The families that don't need day care don't pursue it; often these families have informal arrangements with relatives and others. And the families that do need it seem to be able to afford it."

Among such families, though, especially in two-career marriages, Dr. Bronfenbrenner says day care has important secondary effects.

"Most of the research on day care has tried to measure its direct effects," he said, "but it may be that what is more important is the indirect effect of day care as a support system for parents and families." Day care, he said, reduces the stress on parents and makes it possible for them to enjoy their children more.

Knowledge of Drawbacks

Much has also been learned about the drawbacks of day care. One of them, the researchers said, involves minor illnesses. "Children in day-care centers are more likely to pass colds on to other kids," said Dr. Irving Lazar, professor of human service studies at Cornell. "But children in day-care centers are no more at risk than other children to serious illness."

Another problem that some studies have identified is increased aggressiveness. "Children in day care are more precocious intellectually and socially, and are less compliant and more assertive," said Dr. Alison Clarke-Stewart, a professor at the University of California at Irvine. "The extreme of that is aggressiveness."

Dr. Clarke-Stewart and some other investigators suggest that much of this aggression may be a healthy adaptation to the child-care environment, but there is some disagreement. "We don't know how serious a problem this is," Dr. Zigler commented. "The research isn't fine-grained enough as yet."

Perhaps the questions debated most heatedly involve the age at which children should enter day care and its effect on their ability to form emotional attachments. Dr. Clarke-Stewart, who wrote a review of the research literature that was published by the Harvard University Press in 1982, said: "If you're satisfied that you've found someone — or someplace — who can provide good care, and if you can afford it, then my message to mothers is, 'Go ahead.'"

Part-Time Schedule at First

Although she believes it is possible to place children in all-day care as soon as three months after birth, she said, "if they are able to, mothers might try to work out a part-time schedule during the first nine months or so."

But there is "no consensus about this among researchers," said Dr. Zigler, who added that he has reservations about day care for children younger than 2. "The lines are drawn where people like Berry Brazelton, Mary Ainsworth and Selma Fraiberg believe there are negative effects, and those like Jerome Kagan and Bettye Caldwell believe there aren't negative effects," he said.

Dr. Brazelton speaks of "touch points," natural transition points in a child's development at which a less troubled adjustment to care outside the home is possible because the child has achieved a measure of confidence and security. "The first of these touch points is at four months," he said, "and the next one at 14 to 16 months, when autonomy begins and there is a need for peers."

More research is needed before it can be said that day care has no long-range detrimental effects, Dr. Brazelton asserted. "We've looked at things like cognitive outcomes," he said, "but we haven't looked at more subtle long-term effects of day care. At this point we don't have long-enough follow-ups or the assessment tools to make such judgments." Dr. Brazelton says he hopes that researchers will someday have those tools.

Research Is Difficult

But Dr. Clarke-Stewart said the positive effects of day care had been established. "That kind of research is virtually impossible to do," she said of the studies Dr. Brazelton described. "We'll never be able to assess long-term affective outcomes because so much else intervenes."

In Dr. Caldwell's opinion, mothers should "stay home for six months if it's possible, partly because by then children have become attached to their parents, and partly because it's a precious time for the mother to be with her baby."

Questions about the effect of day care on an infant's development have led many researchers to believe that government and the private sector should adopt policies enabling working mothers to stay home with newborns. The long-term social benefits, they assert, would greatly outweigh the program's apparent costs.

"This country ought to think about paid maternity leave as a national policy," said Dr. Zigler, who is pressing the issue with the Reagan Administration. He was the first director, under President Nixon, of the Federal Office of Child Development. "I'd consider four months a great victory, but I'd prefer six months."

Attention to Low-Quality Care

Although the debate continues over the impact of high-quality care on infants, researchers have also turned their attention to the effects of low-quality care.

"Ninety percent of the research has concentrated on posh university centers, partly because they're easier to study," said Dr. L. Alan Sroufe, professor of child psychology at the University of Minnesota. "Sure, it's useful to see the effects of optimal day care, but we're interested in the effects of the kind of care that kids are actually getting."

The kind of care available to many parents, especially the poor, he said, is often "very haphazard."

"Our data show that that kind of day care has negative effects beyond the poverty itself," Dr. Sroufe added.

Dr. Belsky said recent studies from Michigan, Minnesota, Illinois and Bermuda showed that, among disadvantaged children placed in less-than-optimum care, emotional development may have been adversely affected.

Curb on Normal Exploration

The most common problems in inferior day care are a lack of supervision and challenge, said Dr. David Elkind, professor of child study at Tufts University in Medford, Mass. One concern about such care, he commented, "is that kids are kept from normal explorations of their world, and such exploration is healthy and very necessary for development at later stages."

The worst sort of care can include the physical or sexual abuse of children, as well as serious neglect. "There are the horror stories of small children strapped in chairs, poorly cared for day after day," said Dr. Elkind. "Certainly this can have long-term effects."

Referring to reports of sexual abuse of children at day-care centers in New York and California, Dr. Caldwell noted that "many studies have demonstrated that most sexual abuse takes place in the family, but we don't condemn the institution of the family because of that."

She says day care has been stigmatized by the publicity surrounding the recent incidents of abuse. "I do feel that always lurking beneath the surface are negative feelings about day care," she said. "That is the feeling of unworking parents about working parents. And when we have these incidents of abuse at day-care centers, those latent negative feelings surface."

Many of the experts criticize not just poor-quality care, but also overstimulation. "Pushing children early has far more negative effects than positive ones," said Dr. Elkind. "Certainly children's spontaneity and creativity can be inhibited by too-early formal learning programs."

Ultimate Impact on Society

Researchers are also debating the ultimate impact on society of day care's widespread use. Some, like Dr. Zigler, expressed concern: "We have to find out what kinds of kids we're producing," he said. "It may be completely O.K., but we don't really know."

"We are at a decision point as a society," Dr. Bronfenbrenner said. "Families are changing in all modern industrialized nations, and kids do best in societies that accommodate to that fact. The United States is accommodating least. For example, nationally subsidized day-care support systems are advanced in most modern industrial societies, but not in ours."

Dr. Bronfenbrenner described what he says are the long-range effects of bad day care: "Kids get lost and follow a path of unsocialization. They have reading problems, they don't learn, they have behavior problems. Ultimately that leads to societal problems."

Dr. Clarke-Stewart, however, ridiculed predictions of doom. "I don't know exactly where major societal shifts come from, but I don't think you can attribute them to children's experiences during the first years," she said. "Really, it's reminiscent of the people who somehow tried to attribute the student unrest of the 1960's to their having been raised on the advice of Dr. Spock."

Dr. Kamerman added that there was reassuring evidence from Europe's ambitious national day-care programs. "There are countries in which the overwhelming majority of kids are in preschool programs — like France," she said. "Now there may be people who complain about the French. But to my knowledge they don't attribute their complaints to the preschool educational system."

NEW RESOURCES FOR CHILDREN AND FAMILIES: THE 1981 ECONOMIC RECOVERY TAX ACT

INTRODUCTION

In the waning days of the congressional session in October 1981, human services professionals watched with dismay while huge cuts were occurring in social service funding. The final burst of fiscal legislation also resulted in passage of the Economic Recovery Tax Act of 1981 (ERTA). Provisions of the ERTA, simple in their statement, have the potential for profound impact on the resources available to parents, children, child care providers, employers, and human services professionals.

The ERTA took effect on January 1, 1982. Businesses and individuals have filed tax returns in Spring, 1983 based upon the first year's history of the ERTA. The ways in which the fiscal provisions of the ERTA support employee assistance programs, and employee sponsored child or dependent care assistance are currently emerging.

Importance to human services professionals

Information regarding the ERTA is important to the professions serving children and families for several reasons. First, it represents a major change in government policy towards children and families. The ERTA represents fiscal policy change through tax laws, which differ from previous social policy legislation. A redirection of funds changes the focus from that of providing financial support as a social service, to that of providing financial support for child care as a business service.

Through this change in focus, public dollars can be shifted from the federal treasury to child and dependent care services. Taking the larger view, the potential for many more billions of dollars for child care through fiscal efforts, rather than social policy legislation, such as Title XX, will be possible.

The second reason for professional interest is the potential for increasing both the quantity and quality of child care when employer-supported assistance is available. Researchers indicate that child care tends to increase in terms of the number of facilities when employers provide care as an employee benefit. The quality of care also increases as support is available to lift funding levels beyond minimum (McCroskey, 1982).

Whereas previous legislation limited how child care would be provided, e.g. child care tax credits, the current Internal Revenue Service interpretations regarding the ERTA clearly state that child care can be delivered in the arrangement preferred by the parent, (IRS, 1981). Preserving parental choices of the child care service desired is the third major impact of the legislation. Employer-supported child care can be provided through child care centers, by licensed or registered child care homes, or by an individual staying with the child in the child's home. The IRS does not require that licensed facilities be used, trusting the parent to determine the suitability of the arrangement to personal circumstances.

The fourth reason the legislative change from social to fiscal measures is important is because provisions are less biased in favor of any one socioeconomic situation of the parent. While prior legislation was designed to serve the economically disadvantaged family, tax legislation is designed to affect families regardless of eonomic circumstance.

More than all the previous reasons, the fifth and last has importance for the human service sector. The child care provisions of ERTA are of direct benefit to business as well as to parents and children. Businesses increase profits and simultaneously, parents and children are supported. Mutual benefit is realized by tax incentives that help all, and hurt none.

Historical roots

Over the past decade, the employee assistance program (EAP) has been developed, supported by tax provisions. From limited beginnings, EAP's are now reported in over 5,500 American industries, (Roman, 1981). The economic impact on business is well documented. The reported ratio of cost to expenditure ranges from 3 to 1 to 40 to 1 (Busch, 1981; Akabas & Akabas, 1982; Armes, 1983; TJM, 1981). In other words, for every dollar spent on an EAP, businesses report savings in the form of increased productivity and cost containment of three to forty dollars. A formula exists for estimating such savings to business (Wagner, 1982).

The dependent care assistance plan provisions of the ERTA were modeled upon the provisions of the EAP. The outcomes over time for businesses which implement dependent care assistance programs under ERTA provisions are expected to follow a similar course.

Documentation already exists to find that business profits increase with employer-supported child care because child care solves several problems relating to recruiting, retaining, and promoting skilled workers. For example, Perry (1978) found that in businesses providing on-site care, employee turnover was reduced, absenteeism was lowered, employee attitudes towards the employer were improved, and improved community relations helped increase positive corporate publicity. The ERTA provisions for dependent care assistance programs increase the potential for positive financial outcomes for businesses related to underwriting the expenses of child and dependent care services.

DEPENDENT CARE ASSISTANCE PROGRAMS UNDER THE ERTA

Prior to the passage of the ERTA, financial assistance in meeting the costs of child care came in several forms. Individuals could claim tax credits for child and dependent care expenses on individual tax returns. Businesses could make tax-free contributions of up to 5% of the taxable income of the business to community child care centers as a charitable contribution. The costs of building an on-site child care center could be amortized by businesses building a new work site (CCH, 1981).

The ERTA improved these provisions in several ways. Tax credits for child and dependent care expenses have been increased in the ERTA, including both the amount an individual worker can claim in direct costs for child care, and the amounts that businesses can claim for child care provided to employees and an ordinary expense of doing business. The designation of child care expenses as ordinary business expenses is a major change from previous legislation.

Since child care costs are not viewed as extra income to employee, but as an ordinary cost for conducting business, the value of the child care benefit received by the employee is not included in gross taxable income. This results in lower income taxes, but also means a slight reduction in the amount of Social Security benefits earned for the employee.

An accelerated system for depreciating the cost of creating new child care facilities when new work sites are constructed is part of the Act. The acceleration procedures are more favorable to business.

Corporations can make tax-free contributions of up to 10% of the taxable income of that business to local child care centers that serve all community children. These charitable contributions may not be claimed if the center only serves the children of that businesses' employees. This percentage represents a 100% increase over previous allowances for tax-free business charitable contributions.

In all cases of employer-provided child care benefits, the employer is required to have a written plan for these services, called a Dependent Care Assistance Program. The written plan must include eligibility criteria, may not benefit officers, owners, or highly compensated employees, (no more than 25% of the cost of such care may be for these categories of persons), and is not required, according to the Internal Revenue Service. In addition, the written plan must notify employees of the availability of the service, and also of the annual cost incurred by the employer (IRS, 1981). The costs incurred may supplement the cost paid by employees, and is not limited to the full cost of care. In cases where employees also pay part of the cost of child care, that cost may be claimed by the taxpayer as a child care credit for income tax purposes (CCH, 1982).

Options for the delivery of child care services include information and referral, vendored contracts, child care assistance vouchers, and work-site child care centers. All of the options are designed to give employers maximum flexibility in providing child care as an employee benefit. Options may be combined for a multiplicity of systems. The options are outlined in Figure 1.

FIGURE 1: OPTIONS FOR EMPLOYER SUPPORT OF CHILD CARE

Option	Role of employer	Role of provider	Role of employee	Characteristics of care
Work-site center care.	Employer owns and operates the child care facility.	Employer is the provider.	Employee uses the Services.	Group Care: Usually located at or near the work-site, serving exclusively employee's children.
Consortium center care.	Several employers support operating costs of center.	Board of non-profit employee association owns and operates the center.	Groups of employees form a non-profit corporation and use the service.	Group care: Usually located in proximity to user businesses, may serve community children as well as employee's children.

FIGURE 1: OPTIONS FOR EMPLOYER SUPPORT OF CHILD CARE—Continued

Option	Role of employer	Role of provider	Role of employee	Characteristics of care
Vendored care......	Employer contracts for spaces in existing care facilities.	Provider owns and operates the caregiving business; guarantees spaces to contracted employer.	Employee uses care provided in locations contracted by the employer.	Care may be provided in a center-based or home-based care arrangement; location is flexible; some limitation in parental choice of caregiver.
Vouchered care....	Employer provides employee with voucher (e.g. a coupon) which is given to caregiver in lieu of money; redeems voucher when presented by provider.	Provider owns and operates the caregiving business; accepts voucher in payment and collects from employer the value of the vouchers.	Employee selects caregiver, carries voucher to the caregiver, uses the caregiver's services.	Care is provided in a center-based or home-based care arrangement most suitable to the parent; highly flexible for parents.
Information and referral [1].	Employer hires or contracts with a person to provide employees information concerning available care in the community.	Provider gives information about care services to employer or agent; submits to visitation as requested.	Employee requests information and/or referrals of care provider, selects and uses care.	Least involvement of employer; services to employee are limited; parental choices of care arrangement are maintained.

[1] Should be combined with other options to be included as an ERTA business-related expense.

ISSUES IN IMPLEMENTATION

The provision of employer-supported child and dependent care serves three major constituencies, (a) employers, (b) employees, and (c) child care providers. Each of these groups reports important issues in need of resolution if the dependent care assistance program is to be a success.

Employer issues

The employer is faced with issues related to a changing work force. The increased participation of women of all ages in the work force (CDF, 1982), has made the meeting of child and dependent care services a workplace issue. If the employer expects to have men and women with children or dependents in need of care in the work force, the employer may need to take an active role in helping them meet these needs.

Evolution is also occurring in prevailing preferred management theories. Moving from a stance of regarding workers as a part of the employer-directed machine to the view of the employee as a person with needs, part of which can be met through humane treatment in the work place (McGregor, 1960, 1966; Drucker, 1977), many employers are discovering that the second course is profitable. Several strategies have developed which are indices of employer interest in the welfare of employees. Examples are flextime, permanent part-time employment, flexible leave provisions, family-oriented transfer and relocation policies, employee assistance programs, and child care (WHC, 1980).

Concerns of employers regarding child and dependent care assistance generally fall in the areas of equity, safety, liability, and recordkeeping. A national study (Burud, 1982) has determined that where programs have been implemented, these concerns do not materialize as problems. Equity issues are resolved by using a "cafeteria" approach to all benefits. Safety of the worksite as a location for child care is easily solved by employing one of the other options for child care assistance. Liability for child care is not a problem since accidents and injury are rare. Insurance firms report that child care facilities present a very low rate of claims (Tate, 1982) compared to other enterprises because of the high degree of supervision of children.

Recordkeeping can be limited to those required to document practices for tax purposes. However, Burud (1982) reports that employers would be better served if they maintained sufficient records to document the economic effect of providing child care assistance. In one well-documented case, the ratio of savings to expense was calculated at over five dollars to one.

Employee Issues

Employees themselves identify sources of concern regarding employer-supported child care. The areas of concern focus upon anticipated changes in their work life., such as influence on salary or expectations of volunteerism in the children's program. Another issue for employees is a fear of lack of privacy regarding what has heretofore been a totally personal matter when an employer begins supporting child and dependent care. The strongest issue is that of maintaining the parent's choice of child care arrangement and caregiver.

Most of these concerns are only at issue if the model in reference is work-site child care. If the employer chooses another option or a combination of options, the potential problems will not exist. The employee and employer should communicate clearly at the planning stages about a dependent care assistance plan so that an understanding exists concerning salary administration, and relationship to other benefits. Again, Burud (1982) reports that in actuality, these concerns were not problems in enterprises with employer-assisted child care programs.

Child care provider issues

The third group whose cooperation is vital to the success of a dependent care assistance program is the child care provider group. The provider group as a whole is the one group of the three whose concerns have not been studied. However, conversations by the authors with providers indicate that their concerns lie in the areas of effects on their business practices and earnings. They worry that involvement with businesses, particularly large businesses, will increase their obligations in such areas as increased standards of care, and reduced autonomy and flexibility in the operation of their child care enterprises. They fear that such programs will increase the quantity and quality of their competition.

Today, a much greater need exists for child care than can be provided by existing organized sources of such care. Nationwide over 22 million children under age 14 have mothers who work, while only 900,000 center-based child care spaces exist. Approximately 5 million mothers arrange to work and also serve as the caregivers, and 1.8 million children are left alone while parents work (CDF, 1982). The remainder are cared for in fluid, transitory arrangements. This majority of care occurs informally in the home of the child or the provider with no standards of care other than parental choice. The discrepancy between need and availability is huge.

A fact apparent to child development specialists is that providers can expect to see their services become more businesslike. Activities with businesses will need to be governed by contracts and agreements. Concerns about autonomy and flexibility will need to be addressed in the formulation of contracts. The numbers of more formally recognized child caregivers is expected to increase. However, given the discrepancy between availability and need, many years are likely to pass before competition could be expected to reach a high level. Additionally, the providers of high quality care has nothing to fear, and overall the quality of care can be expected to climb.

As providers come to recognize themselves as the business people that they are, they should find both services and profits improved. The child care center eligible for participation in the ERTA's provisions (5+employees) should be among the first to provide dependent care assistance programs for employees.

NEEDS FOR RESEARCH

Research addressing employer support for child care has focused upon work-site models of care (Perry, 1978; Purnell, 1977; Burud, 1982; Friedman, 1979, 1980) and large businesses (Perry, 1978; Purnell, 1977; Burud, 1982; and Schiller, 1982). Data collection efforts have been directed at employers and employees (Perry, 1978; Purnell, 1977; Hewes, 1981; Burud, 1982; Friedman, 1979, 1980; and Schiller, 1982). A paucity of research literature exists regarding businesses with fewer than 500 employees, efficacy of the various options, or the needs and interests of child care providers.

The authors currently have research underway which addresses the knowledge, attitudes, and preferences of the small business person, of employees in small businesses, and of child care providers. The research will be extended in the future to such groups as tax accountants and child development and family life professionals themselves.

In particular need is case study research of given businesses with data collection prior to and following implementation of a dependent care assistance program. Such data is currently very limited.

SUMMARY

When Congress passed the Economic Recovery Tax Act (ERTA) of 1981, a new resource for children and families became available. The ERTA provides tax incentives for the financial support of child and dependent care services by business. The Act represents a major change in federal policy from social service orientation to a business and economic orientation in the delivery of child care services.

The ERTA expanded tax incentives through increases in child care tax credits for individuals. A new provision declared that child care costs paid by an employer would be treated as an ordinary business expense. The financial support for child care services, in part or in full, would not be calculated in the employee's income, and thus would not be taxed. The Act also included an accelerated system for depreciating the cost of child care facilities at a new work site. Prior to the ERTA, businesses could make tax-free contributions of 5% of the taxable income of that business to local child care centers that serve all community children. That percentage was increased to 10% under the ERTA. Care can be delivered in on-site, vendored, vouchered, and consortium arrangements. Caregivers may be anyone who is not a dependent of the employee and can deliver care in either home-based or center-based settings. A business may also wish to sponsor information and referral services.

Employers, employees, and child care providers voice concerns about how a dependent care assistance plan will affect the status quo. More research is needed regarding these concerns. One such study is underway by the authors. Prior evaluation of efficacy of child care services for families tended to address child change, family change and institutional change. The ERTA increases the need to focus on business and economic change.

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Fact Sheet Economic Recovery Tax Act (ERTA) and Children

1. Tax credits for child and dependent care expenses have been increased in the ERTA. This includes both the amount an individual worker can claim in direct costs for child care, and the amounts that businesses can claim for child care provided to employees as an ordinary expense of doing business. The designation of child care expenses as ordinary business expenses is a major change from previous legislation.

2. Since child care costs are not viewed as extra income to the employee, but as an ordinary cost for conducting business, the value of the child care benefit received by the employee is *not* included in gross taxable income. This results in lower income taxes, but also means a slight reduction in the amount of Social Security benefits earned for the employee.

3. An accelerated system for depreciating the cost of creating new child care facilities when new work sites are constructed is part of the Act.

4. Corporations can make tax-free contributions of up to 10% of the taxable income of that business to local child care centers that serve all community children. These charitable contributions may not be claimed if the center only serves the children of that businesses' employees. This percentage represents a 100% increase over previous allowances for tax-free business charitable contributions.

REQUIREMENTS FOR A DEPENDENT CARE ASSISTANCE PROGRAM

In all cases of employer-provided child care benefits, the employer is required to have a written plan for these services, called a Dependent Care Assistance Program. The written plan must include eligibility criteria, may not benefit officers, owners, or highly compensated employees, (no more than 25% of the cost of such care may be for these categories of persons), and is not required, according to the Internal Revenue Service. In addition, the written plan must notify employees of the availability of the service, and also of the annual cost incurred by the employer (IRS, 1981). The costs incurred may supplement the cost paid by employees, and is not limited to the full cost of care. In cases where employees also pay part of the cost of child care, that cost may be claimed by the taxpayer as a child care credit for income tax purposes (CCH, 1982).

Options for the delivery of child care services include information and referral, vendored contracts, child care assistance vouchers, and worksite child care centers. All of the options are designed to give employers maximum flexibility in providing child care as an employee benefit. Options may be combined for a multiplicity of systems.

Internal Revenue Service (IRS). Highlights of the 1981 tax changes. Washington, D.C.: U.S. Government, Department of the Treasury, Internal Revenue Service Publication 553, (Revised December 1981).

CCH Editorial Staff. Tax incentives for employer-sponsored day care programs. Chicago, Illinois: Commerce Clearing House, 1981.

U.S. Department of Labor

Office of the Secretary
Women's Bureau
Washington, D.C. 20210

Federal Legislation on Day Care

The need for day care for the children of working parents has greatly increased over the past 20 years and is expected to continue into the 1990's. More married women are entering the work force than ever before and more are remaining at work during their child-rearing years. For many single parents with small children, child care services enabling the parent to work are a necessity. In addition, care services for elderly or disabled persons frequently are needed while other family members work.

Day care services for children and dependent adults may be paid for by the family, the employer, unions or other employee organizations, the Government, private contributors, or a combination thereof. The purpose of this fact sheet is to describe briefly major Federal legislation concerning child and dependent care services. The Federal laws provide tax credits for working parents, tax incentives for employers, and food subsidies and financial support for centers under a number of Federal programs.

At present the Federal Government is shifting away from giving direct support and subsidies to day care centers and toward an emphasis on tax credits for parents and tax incentives for employers. This trend is likely to continue.

Tax Legislation

ECONOMIC RECOVERY TAX ACT OF 1981 (ERTA)

The Economic Recovery Tax Act of 1981 (ERTA) allows increased tax credits to workers paying for child and adult dependent care and establishes tax incentives for employers providing such services for employee use. ERTA, P.L. 97-34, also provides that employer contributions for child and dependent care services are not taxable to the employee.

Child and Dependent Care Tax Credit for Workers

A tax credit for a portion of the expenses incurred for child or disabled dependent care is available under ERTA to employed persons if the expenditures enable the taxpayer to be gainfully employed (Sec. 44A Internal Revenue Code). The credit is computed at 30 percent for taxpayers with adjusted gross incomes of $10,000 or less, with the rate of the credit reduced one percentage point for each $2,000, or fraction of $2,000, of income above $10,000 until the rate reaches 20 percent for taxpayers with incomes over $28,000. Expenses for which the credit may be taken are limited to $2,400 for 1 dependent and $4,800 for 2 or more dependents.

The table below shows the amount of tax credit that may be taken at various family income levels.

Adjusted gross family income	Percentage of expenses permissible as tax credit	Maximum amount of credit: 1 dependent adult or child	Maximum amount of credit: 2 or more dependents
Up to $10,001	30%	$720	$1,440
$10,001 - 12,000	29%	696	1,392
12,001 - 14,000	28%	672	1,344
14,001 - 16,000	27%	648	1,296
16,001 - 18,000	26%	624	1,248
18,001 - 20,000	25%	600	1,200
20,001 - 22,000	24%	576	1,152
22,001 - 24,000	23%	552	1,104
24,001 - 26,000	22%	528	1,056
26,001 - 28,000	21%	504	1,008
28,001 & up	20%	480	960

The expenses may be for services provided in or out of the taxpayer's home, for dependent children under age 15 or dependent adults over age 14 who are disabled and who live with the taxpayer. No credit may be taken for the cost of residential care in a nursing home or similar facility for dependent adults. The credit is available to all eligible taxpayers regardless of the gross income of the family and whether or not they itemize deductions.

The child and dependent care tax credit is computed on an annual basis. For that reason, the entire $2,400 or $4,800 of qualifying expenses on which the credit is computed is available to eligible taxpayers having the appropriate number of dependents at any time during the taxable year.

Eligibility. The tax credit is available to married couples if both spouses work (either full or part time), to married full-time students with working spouses, and to single working parents. Single parent-students are eligible for the child care credit if they have earned income.

To claim the credit, married couples must file a joint return. The amount of qualified expenses (those on which the 20 to 30 percent credit is figured) is limited to the earnings of the spouse with the lower income. Thus, for example, if the income of the low-earning spouse is $2,000, the amount allowable for computing the credit would be $2,000, regardless of the amount of expense and the number of children or dependent adults.

In computing the "earnings" of a spouse who is a student or is incapable of caring for herself or himself, such spouse shall be deemed to have earned $200 per month if the couple has 1 child or disabled dependent and $400 per month if the couple has 2 or more such dependents.

For single parents, the amount of the expenses used to compute the credit may not be more than the income earned by the taxpayer.

The credit is also available to a divorced or separated parent having custody of a child under age 15 for more than one-half of the calendar year, even though the other spouse may be entitled to claim the personal income tax exemption for a dependent child. A deserted spouse may claim the credit if the deserting spouse is absent for the last 6 months of the taxable year.

Payments to relatives, including those living in the same household, qualify for the credit, provided that the relative is not the taxpayer's dependent and that the relative's wages are subject to social security taxes. However, no credit is allowable for payments made to a child of the taxpayer if the child has not attained 19 years of age at the end of the taxable year.

Tax Incentives for Employers

Dependent Care Assistance Programs. The 1981 tax law, ERTA, establishes a new category of tax benefits entitled "Dependent Care Assistance Programs" (Sec. 129 Internal Revenue Code).

Prior to the passage of ERTA, some tax advisors feared that, without specific provisions in the tax law, the value of employer-provided child care payments, services, or vouchers would be included in the employee's gross income and taxed. Now, as long as the requirements of the statute are met, the Internal Revenue Service will treat the new programs as tax-free benefits like other employee fringe benefits such as medical and dental plans, or life insurance.

The Internal Revenue Service will issue regulations on dependent care assistance programs in the near future.

The child care services allowed under a dependent care assistance program include care at the parent's home, at another person's home, or at a child care center. An employer can provide services at an employer-operated child care center, a community child care center, or a family day care home, or the employer can provide funds to cover any eligible services that the parent might choose. Employer programs which do not involve actual care for the child, such as parent seminars or information and referral services, would not qualify as dependent care assistance programs.

To qualify under the new tax law, the provisions of a dependent care assistance program must be set forth in a written document by the employer and must be for the exclusive benefit of its employees. The program also must satisfy certain requirements regarding participant eligibility, payments, and notification.

Eligibility

- The program cannot discriminate in favor of employees who are officers, owners, or highly compensated, or their dependents. Employees may be excluded from the program if they are in a unit covered by a collective bargaining agreement and the exclusion is a result of good faith bargaining between employer and employee representatives.

- Principal shareholders or owners (or their spouse or dependents) who own more than 5 percent of the stock, or capital or profit interest, of the company may not receive more than 25 percent of the amount paid by the employer for dependent care assistance during any 1-year period.

Payment for Services

- Dependent care assistance includes payment for services or provision of services for the care of an employee's dependent who is under 15 years old or for an employee's dependent or spouse who is physically or mentally incapable of caring for herself or himself.

- Assistance cannot exceed the income of an employee who is not married. For married employees, the amount of assistance cannot exceed the lesser of the income of the employee or the income of the spouse. The "earned income" of a spouse who is a student for at least 5 months of the year or who is incapable of caring for herself or himself is deemed to be $200 per month when the taxpayer has 1 child or disabled dependent in need of care or $400 per month when there are 2 or more such dependents.

- The payments for dependent care assistance cannot be made to a person who is a dependent of the employee or the employee's spouse or to one of the employee's children who is under 19 years of age at the close of the taxable year.

- Payments made by the employer for dependent care assistance cannot be reported on the employee's tax form as expenses for calculating the child care tax credit.

Notification Requirements

- Eligible employees must be notified of the availability and terms of the dependent care assistance program.

- On or before January 31 of each year, the employer must provide each employee participating in the program with a written statement showing the amount of expense incurred by the employer for dependent care assistance on behalf of the employee during the previous calendar year.

OTHER TAX INCENTIVES FOR EMPLOYERS

In addition to the dependent care assistance program, there are a number of other tax incentive provisions of Federal law available to employers. These include: accelerated cost recovery and a tax investment credit of 10 percent for capital expenses, amortization of "start-up" and "investigator" expenses, targeted jobs tax credit for certain categories of persons including part-time workers who might be employed by a center, and a variety of provisions relating to charitable contributions and tax-exempt programs.

Details of these provisions may be obtained from the Internal Revenue Service and from qualified tax advisors. Also see Employers and Child Care: Establishing Services Through the Workplace, Women's Bureau, August 1982.

TAX DEDUCTION FOR USE OF RESIDENCE FOR DAY CARE SERVICES

Persons who provide day care services in their homes on a regular basis for compensation may claim a tax deduction for expenses related to the use of the property for business purposes. Day care includes care provided for children, for individuals 65 years of age or older, or for individuals mentally or physically incapable of self-care.

Expenses directly related to the operation of the business are fully deductible. In addition to normal operating costs, such expenses might include painting or repairs made to the specific area of the home used for the business.

Indirect expenses are deductible in part and include those which benefit the entire residence as well as the area used for day care. Examples of indirect expenses are real estate taxes, mortgage interest, rent, utilities and services, insurance, repairs, and depreciation. Indirect expenses attributable to the business activity are calculated on the basis of the portion of space in the taxpayer's residence that is used for day care services and on the number of hours that portion is used compared with the total time the space is available for all uses.

Taxpayers planning to take this deduction are advised to read "Business Use of Your Home," Publication 587 (Rev. Nov. 81), available from the Internal Revenue Service.

Funding

Service groups, community organizations, and religious institutions may assist in raising funds for day care services. Private foundations sometimes provide funds for child care programs, particularly as demonstration projects. State job training programs may also provide money for training child care workers. Several major sources of Federal funds are described below.

CHILD CARE FOOD PROGRAM

The Child Care Food Program, administered by the U.S. Department of Agriculture (USDA), provides reimbursement for nutritious meals that are served to children in child care centers or in family day care homes. To be eligible for funding, a private child care center or an "umbrella sponsor" of family day care homes must have Federal tax exemption or be receiving funding under Title XX of the Social Security Act. The food reimbursement includes a base rate for all children and increased rates for children from low income families that are eligible for free or reduced-price meals. Reimbursement rates are revised annually.

Further information may be obtained from the Child Care and Summer Programs Division, Food and Nutrition Service, USDA, 3101 Park Center Drive, Alexandria, VA, 22311.

TITLE XX, AFDC, WIN

The Federal Government provides funding for day care services for children of many persons at or near the poverty level. Under Title XX of the Social Security Act, funds are available to such families for child care. Parents in the Aid to Families with Dependent Children (AFDC) program may be eligible for AFDC Work Expense Allowance to pay for child care so that they can find and continue employment. Participants in the Work Incentive (WIN) program are entitled to child care services that are necessary for the participant to find a job.

The local Welfare Department or Department of Social Services usually determines which child care facilities will serve those parents eligible through Title XX, AFDC, or WIN. The local agency may provide child care or may contract with for-profit centers, not-for-profit centers, or family day care homes to provide services.

VOCATIONAL EDUCATION

Federal funds under P.L. 94-482 may be used to provide for child care when the student-parent is in need of such services.

Guide for Planners and Administrators

The Women's Bureau has developed a guidebook, Employers and Child Care: Establishing Services Through the Workplace, to assist day care planners, center administrators, and others involved in establishing or implementing a child care program. The guidebook provides detailed information on tax incentive laws, options for employers, and other aspects of center planning. Single copies can be obtained from the Women's Bureau at no cost, while supplies last.

THE WHITE HOUSE
WASHINGTON

Employer Options to Support Working Families

An Executive Summary
for
Chief Executive Officers

Prepared as part of an informational initiative
co-sponsored by the President's Advisory Council
on Private Sector Initiatives and the White House
Office of Private Sector Initiatives

Executive Summary

Overview

The significant increase in the number of working parents in this country has created a mutual dependence between businesses and the family. It is this interdependence which provides a rationale for the development of employer strategies to strengthen both the family and the workplace. Contemporary families are profoundly affected by the workplace environment and, of course, businesses are impacted by the concerns and responsibilities of employees for their families.

In the past generation, there have been dramatic increases in the number of women working full or part time. Unprecedented numbers of mothers with young children are now working and their participation in the labor force has created a spiraling demand for quality child care.

The statistics which follow reveal a dramatic change in the composition of America's work force and present a clear picture of the growing need for work policies which are supportive of families.

- In 1950 only 12 percent of mothers with children less than six years of age were in the labor force; by 1982, 50 percent were employed.
- In March, 1982, there were 18.5 million children under six years of age in the United States. Of this group, 8.4 million, or 46% had working mothers. Census projections suggest that there will be over 10 million preschoolers with mothers in the labor force by 1990.
- Not only are there more women with young children working today, but they are entering or returning to the labor force earlier after the birth of a child. Among women with a child under one year, a third of married women and 40% of single mothers are working.

To respond to the obvious changes in the labor force, some businesses have developed policies and programs to support working parents and, at the same time, achieve company goals. In fact, employer supported child care programs have grown significantly in the last five years — from 105 programs in 1978 to an estimated 600 programs in operation today.

In a recent survey of 415 employers with some form of child care program, employers reported a return on their investment in the form of increased productivity and loyalty, enhanced public image, improved recruitment and reduction in turnover, absenteeism and tardiness.

Employer sponsored child care programs can encompass a broad range of options, reflecting the differing characteristics of businesses, labor force composition, company goals, and family desires.

Options

Programs to support working families can be grouped into the following four categories: Flexible Personnel Policies, Information Programs, Financial Assistance, and Direct Services. Options within each of these categories are listed below.

I. FLEXIBLE PERSONNEL POLICIES can be adapted by many firms and benefit employees with a wide spectrum of child care circumstances.

- Flexible Working Arrangements such as flextime, job sharing, and part-time work all enable parents to care for their children and facilitate the handling of emergencies, sickness, and care for children during non-school hours.

- Flexible Leave Policies can enable parents to be at home when children are ill. Many working parents would prefer to use their sick leave for children as well as themselves. Flexibility in the utilization of leave time, with a specific allowance for sick child leave, represents an important support for these families.

- At Home Work may be an important employment option for the future. As companies convert more of their operations to computers, more employees will be able to work out of their homes, thus, caring for their children and fulfilling their job functions at the same time.

II. INFORMATION PROGRAMS often represent a cost-effective means to assist working families in making use of available community resources.

- Child Care Information and Referral Programs (CCIR's) provide information about child care, suggestions for parents on selecting quality care and referrals to local child care providers. This service can be provided in-house or through contract with an outside organization. Many communities now have comprehensive information and referral programs and others are looking for ways to develop CCIR's drawing on a variety of local groups and resources.

- Parent Education Programs inform working parents about resources at work and in the community, provide support systems involving other parents and professionals, and create a forum for discussion of work and family issues.

III FINANCIAL ASSISTANCE programs can increase parent options when child care supply is adequate in the community.

- Flexible Benefits Plans allow employees to choose a benefit package which best suits their individual family circumstances. A core of mandatory benefits is included with optional benefits selected according to such factors as age, rate of pay, years of service, and family status. Child care is often cited as a potential benefit in this type of plan.

- Vendor Programs involve the purchase of slots in existing community child care programs. These slots are then sold to employees, frequently at a reduced rate. The company can retain control over the purchased slots and can reassign them when an employee no longer needs the service.

- Voucher Programs allow employees to select a child care program and submit a voucher to cover all or part of the cost of the services. This alternative places the selection of child care providers in the hands of the parents.

- Subsidies may be used to assist eligible employees with all or part of their child care costs.

- Charitable Donations of money and in-kind resources. frequently enable existing community child care facilities to provide services at a reasonable cost for working families.

IV. DIRECT SERVICES allow an employer to become directly involved in providing child care services.

- Consortium Arrangements permit groups of employers to work together to develop and support a child care program. This may take the form of funding for an information and referral system or a day care center conveniently located in relation to all firms contributing to the consortium.

- On-Site or Near-Site Centers can offer reliable quality care with trained professionals and educational programs. Companies may own and operate their own day care centers, contract with an outside organization, or donate the facility to a nonprofit employee-operated organization .

- Family Day Care Systems provide care in the home of the provider. Employers may develop family day care systems which establish flexibility in hours (for parents who work odd shifts or overtime) and facilitate supervision for children during school holidays or emergencies.

Tax Incentives for Employers

I. DEPENDENT CARE ASSISTANCE PROGRAMS

The Economic Recovery Tax Act of 1981 established a new category of tax-free benefits entitled "Dependent Care Assistance Programs". As long as the requirements of the statute are met, the I.R.S. will treat a Dependent Care Assistance Program as a tax-free benefit like other employee fringe benefits such as life insurance and medical plans. In short, the costs of providing child care, within certain limits, are not considered part of the employee's wages and therefore no FICA or other payroll taxes have to be paid by the employer.

Child care services allowed under a dependent care assistance program include care at the parent's home, at another person's home, or at a child care center. An employer can provide funds to cover any eligible services the parent might choose.

To qualify under the new tax law, the provisions of a dependent care assistance program must be set forth in a written document by the employer and must be for the exclusive benefit of its employees. The program also must satisfy certain requirements regarding participant eligibility, payments, and notification, which are outlined in detail in the yellow brochure included in your packet.

II. OTHER TAX INCENTIVES FOR EMPLOYERS

In addition to the dependent care assistance program, there are a number of other tax incentive provisions of Federal law available to employers. These include: accelerated cost recovery and a tax investment credit of 10 percent for capital expenses, amortization of "start-up" and "investigator" expenses, targeted jobs tax credit for certain categories of persons including part-time workers who might be employed by a center, and a variety of provisions relating to charitable contributions and tax-exempt programs.

Child Care Tax Credits for Employees

A tax credit for a portion of the expenses incurred for child or disabled dependent care is available under ERTA to employed persons if the expenditures enable the taxpayer to be gainfully employed (Sec. 44A Internal Revenue Code). The credit is computed at 30 percent for taxpayers with adjusted gross incomes of $10,000 or less, with the rate of the credit reduced one percentage point for each $2,000, or fraction of $2,000, of income above $10,000 until the rate reaches 20 percent for taxpayers with incomes over $28,000. Expenses for which the credit may be taken are limited to $2,400 for 1 dependent and $4,800 for 2 or more dependents. A table showing the amount of tax credit that may be taken at various family income levels is included in your packet.

The expenses may be for services provided in or out of the taxpayer's home, for dependent children under age 15 or dependent adults over age 14 who are disabled and who live with the taxpayer. No credit may be taken for the cost of residential care in a nursing home or similar facility for dependent adults. The credit is available to all eligible taxpayers regardless of the gross income of the family and whether or not they itemize deductions.

The child and dependent care tax credit is computed on an annual basis. For that reason, the entire $2,400 or $4,800 of qualifying expenses on which the credit is computed is available to eligible taxpayers having the appropriate number of dependents at any time during the taxable year.

The Next Step

Each company is unique, as is each family, and there is no single option that can be generally recommended above any other option. Before embarking on any child care initiative, employers need to determine whether a child-care program makes sense for their company and their employees. Certain questions need to be considered––How might adoption of family supportive policies contribute to the achievement of specific company objectives? What are the child care needs of current employees? To what extent does the existing community child care system meet the needs of employees?

If some sort of family supportive policy or program seems worth considering, you may want to contact a national or local resource person or a company that has already implemented a similar policy or program. Attached to this summary is a list of local and national resource persons and a list of companies that are already implementing some of the options listed. Each of them would be more than willing to assist you as you develop your policies and programs.

A Final Note

It is obvious that, as employers, you provide the primary requirement of parents––a job. However, with the developing complexities of our world, and the growing mutual dependence between business and the family, working parents are responsive to programs that support them in effectively balancing the responsibilities of home and work. Adoption of family supportive work policies and programs can be considered a way to address the predominant concerns of an increasingly large portion of the workforce in an attempt to serve management objectives. Many of the options presented above can be implemented at minimal cost and can yield benefits to your company in the form of increased productivity, enhanced public image, improved recruitment and reduced turnover, absenteeism and tardiness.

National Resource Persons
In The Area of Child Care

Dr. Raymond Collins
Mrs. Patricia Divine-Hawkins
Department of Health and Human
Services, OHDS/ACYF
Post Office Box 1182
Washington, D.C. 20013

202/755-7724

Marie Oser
Texas Institute for Families
11311 Richmond, L-107
Houston, Texas 77082

713/772-0397

Dr. Arthur Emlen
Portland State University
Post Office Box 751
Portland, Oregon 97207

503/229-4040

Sandra L. Burud
Child Care Information Service
330 South Oak Knoll
Pasadena, California 91101

213/796-4341

Michele M. Basen, MPA
Rebecca S. Ashery, DSW
Parents With Careers
2513 Oakenshield Drive
Rockville, Maryland 20854

301/251-0664

Tyler D. Phillips
Child Care Systems
329 W. Main Street
Lansdale, Pennsylvania 19446

215/362-5070

Dr. Annie W. Neal
U.S. Department of Labor
Women's Bureau
200 Constitution Avenue, N.W.
Washington, D.C. 20210

202/523-6624

Carole Rogin
National Association
for Child Care Management
1800 M Street, N.W., Suite 1030N
Washington, D.C. 20036

202/452-8100

Dr. Dana Friedman
845 Third Avenue
New York, New York 10022

212/759-0900

Jeanette M. McGinnis
Early Childhood and Elementary
Education Institute
27 W. 45th Street
Brant Beach, New Jersey 08008
609/494-8522

Joyce Black
The Day Care Council
22 West 38th Street
New York, New York 10018

212/398-0380

Barbara Adolf
Karol Rose
Children At Work
569 Lexington Avenue
New York, New York 10022

212/758-7428

The following is a list of companies presently utilizing one of the options discussed:

Flexible Leave Policies	Texas Commerce Bank Houston, Texas 713/236-4865
Information and Referral	Honeywell Corporation Minneapolis, Minnesota 612/870-5247
	Steelcase, Inc. Grand Rapids, Michigan 616/247-2710
	Corporate Consortium for Child Care Hartford, Connecticut 203/277-6234
Flexible Benefits	American Can Company Greenwich, Connecticut 203/726-5385
	Proctor and Gamble Cincinnati, Ohio 513/562-1100
Financial Assistance	Polaroid Corporation Boston, Massachusetts 617/577-2000
	The Ford Foundation New York City, New York 212/573-5000
Child Care Centers	Intermedics, Inc. Freeport, Texas 409/233-8611
	CIGNA Corporation Hartford, Connecticut 203/726-5385
	Merck Company, Inc. Rahway, New Jersey 201/574-4000

[Reprinted from U.S. News & World Report issue of June 27, 1983, Copyright, 1983, U.S. News & World Report, Inc.]

Who'll Watch the Kids? Working Parents' Worry

fter taxes, housing and food, hild care is the biggest xpense—and concern—for nany American families.

In millions of U.S. homes, working ouples are agonizing over the same agging question: Where to go for ood day care for their children?

With licensing requirements either ax or nonexistent, more parents worry vhether they can trust strangers to ook after their youngsters.

Others are put off by soaring costs nd are pressing employers to subsidize new day-care operations.

It's a concern that is weighing on the inds of an increasing number of oung families every day. More than 0 percent of American mothers work utside the home. Predictions are that y the end of the decade two thirds of l families will have both parents orking, including half of all mothers ith preschool-age children.

Nearly 7 million youngsters 6 years d or under already are in some type of ork-related child-care arrangement, overnment studies show. The number ould swell to 14 million by 1990.

Spreading influence. "The demoraphics suggest that day care will be a gnificant part of the early experience growing numbers of children for the reseeable future," says Richard uopp, president of the Bank Street ollege of Education in New York.

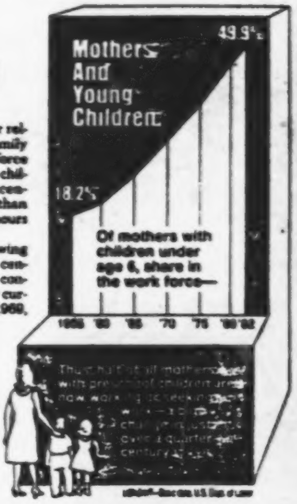
The types of day-care settings multiy almost daily. Some working couples still rely on grandparents and other relatives. But increasingly such family members are joining the work force themselves, forcing parents to put children in established child-care centers—now estimated at more than 22,000—that are open at least 10 hours a day, five days a week.

Stepping in to serve this growing need are several giant, for-profit centers, whose main selling points are consistency, dependability and a wider curriculum. Kinder Care, started in 1969, now has nearly 800 centers with 8,700 employes providing care to 60,000 children in 38 states and Canada.

Most for-profit centers accommodate about 100 children each, ranging in age from 6 weeks to 12 years at an average cost of $40 a week. The older children are taken to their schools and picked up for activities after school.

Centers also are run by churches, charitable organizations and other nonprofit groups. The National Council of Churches estimates that 25,000 churches are involved in some type of child-care program, servicing more than 1 million children.

Typical of some of the fresh approaches being tried by nonprofit groups is the Routt Memorial Extended Care Center in Steamboat Springs, Colo., a nonprofit community nursing home for about 40 senior citizens. It operates the Grandkids Day Care Center that charges up to $16 a day. Most of the children's time is spent on educational and play activities, but interaction between the youngsters and the older residents is encouraged. The two groups exercise, take field trips and participate in arts and crafts together.



Day care is a high priority for cities as well. New York has a program for teenage mothers that provides child care during school hours so the parents can continue their education.

"Once a teenager becomes a parent, she is caught up in a cycle of dependency that is hard to escape," says City Council President Carol Bellamy. "Because child care is not available or affordable, she drops out of school, has no diploma and becomes unemployed. This program will work to break that cycle."

Program cutbacks. Many centers that serve poor families rely on government money, and three quarters of them have had to trim programs because of federal budget cuts.

The poor aren't the only ones concerned with costs. Studies show that day care is the fourth-biggest item in many family budgets after taxes, housing and food. Costs vary greatly, ranging from $25 a week for sitter service in someone else's home to $300 or more a week for a live-in housekeeper.

The Department of Health and Human Services estimates the average

inder Care is one of several big, for-profit chains that have entered the business.

A new program in Steamboat Springs, Colo., brings together elderly residents and small children.

cost per child at $60 to $70 a week. A federal tax credit helps families get some of that money back, although the credit is available only on the long tax forms, and many lower-income families file the short form.

Employers are beginning to lend a hand. One study shows that more than 500 organizations, about 60 percent of them hospitals, have started some form of day-care program.

Says Felice Schwartz of Catalyst, a New York City women's-advocacy group: "Companies are beginning to realize that the care of children can be anxiety provoking, and cause stress among both female and male workers."

Long-term savings. Deanna Tate, chairman of the Department of Child Development and Family Living at Texas Woman's University in Denton, cites studies showing that as little as $50,000 spent on a company day-care program can save as much as 3 million dollars in employe turnover, training of replacements, uneven productivity and lost worktime.

At Zale Corporation in Dallas, 70 children use the day-care center at a cost of about $43 a week each. Many parents spend their lunch periods with the children.

"That means that an accountant, for instance, can stay and pull his or her share of the load when everybody else is working overtime, rather than having to rush out at 5 o'clock because a day-care center off in the suburbs closes at 6 p.m.," says Michael Romaine, Zale vice president for community affairs.

Polaroid Corporation in Cambridge, Mass., pays from 5 to 85 percent of child-care costs for employes earning under $25,000. In many other cities, firms are funding referral services to assist families in locating day care.

St. Anthony Hospital in Denver runs a center for 138 children and employs 24 full-time and eight part-time staff members. A key attraction is the hours—6 a.m. to midnight seven days a week.

To encourage more businesses to provide day care, the Reagan administration recently launched a series of meetings to be held across the country with employers.

Regardless of the center chosen, many parents still have difficulty judging whether a facility is right for their children.

There are few legal restrictions on day-care facilities, and licensing and inspection are often haphazard. Federal officials estimate that only 5 percent of the centers located in private homes are bound by legal restrictions. Thus, the potential for abuse is great. Among recent examples:

- Early this year a 37-year-old Clayton, Calif., woman who ran several unlicensed day-care centers in the San Francisco area was sentenced to 44 years to life in prison after being convicted of murder, mayhem and 31 counts of child abuse.
- A couple who ran a baby-sitting service in Des Moines, Iowa, was found guilty of locking children in small wooden boxes.
- In early June, indictments were handed down in Prince Georges County, Md., against a teacher charged with sexual abuse of nursery school children.

Recent violations in North Carolina prompted legislators there to push for a series of civil penalties and fines for errant day-care operators. "Right now, we can't fine them," says State Representative Louise Brennan, who introduced the penalties bill. "The only way we can close them is under gross violations in fire and safety hazards under other statutes."

Montana and New Mexico have revised their codes, and Wyoming is in the process of rewriting its standards to define sanitation requirements, strengthen child-abuse codes, set rules for transportation of children and clarify the procedures for revoking licenses.

Improving workers' skills. More attention, too, is being given to training day-care workers. In Golden, Colo., Red Rocks Community College operates a statewide program to upgrade the skills of people who provide care in their own homes. Topics include child-development studies, methods of discipline, nutrition and child-abuse laws.

Despite such steps to improve centers, parents still must answer one basic question: What impact will the experience have on the child?

Alison Clarke-Stewart, associate professor of education and behavioral science at the University of Chicago, cites tests showing that children who attend day care are more at ease in unfamiliar situations, play better with their peers, do better on tests of intellectual and language development, and are superior in the knowledge of the social world.

Others note that many people are not equipped to be good parents on a full-time basis and that it is good for them to be relieved of responsibility some of the time. Asserts Cornell University's Prof. Urie Bronfenbrenner: "Data do not support those who think children are hurt by day care."

On the other side of the issue are those who argue that the quality of day care varies greatly and in many cases is inadequate. "There are exceptions, but usually these people don't know a thing about raising babies," says Burton White of the Center for Parent Education in Newton, Mass.

Some experts claim, too, that no one can give a child the care and affection that most parents can. Says St. Louis psychiatrist Moisy Shopper: "Parents miss out considerably when they turn over primary responsibility of child rearing to someone else."

It may take years before this debate among experts is settled, if it ever is. In the meantime, a growing number of parents will face the hard decision about whether their children will benefit—or be hurt—by spending many of their early years in the care of others. □

Employees can visit children during lunch or break times at the day-care center set up by Zale Corporation in its Dallas offices.

ZALE CHILD CARE

By DAVID WIESSLER with JEANNYE THORNTON and the magazine's domestic bureaus

The Washington Post
Wednesday, August 1, 1984

JUDY MANN

CHILD CARE

Carol Remington is the employe services manager of GTE Telenet, a data communications firm in the process of relocating its 800 local employes to new headquarters in Reston. Remington is negotiating with four child-care centers in Reston to set up a voucher system by which GTE can help its employes pay for child care at the centers.

She was one of about 75 representatives of business, government and child-care organizations who met yesterday at a workshop on "Employer-Sponsored Options for Working Parents," sponsored by Rep. Frank R. Wolf (R-Va.) and targeted specifically at businesses in the 10th Congressional District. The workshop grew out of a series of meetings with women constituents that began last November and ultimately led to a briefing with chief executive officers in June.

The purpose of the workshop was to give employers hard facts about the tax benefits they could derive from helping their employes with child care, the productivity benefits they could derive from lowered absenteeism and turnover due to child-care problems, and the variety of ways they could become more responsive to the problems of working parents.

Among the speakers were a representative of the Internal Revenue Service, Dr. Donna Tate of Texas Woman's University, who has done cost-benefit analyses showing that employer-sponsored child-care programs save companies money, and Richard Schlaff of the White House Office of Private Sector Initiatives, which has sponsored 13 similar conferences for top business executives across the country.

Schlaff said child-care advocates had complained they could not reach "the decision makers" in companies to let them know "there's something other than on-site care." The Office of Private Initiatives began contacting chief executive officers in local communities and asking them to invite their peers to briefing luncheons. Then, they were asked to send their personnel officials to follow-up workshops to learn about various forms of child-care assistance and how they could implement them. "We're trying to get the child-care community and the business community to work together," said Schlaff.

At yesterday's workshop, for example, he distributed a two-page worksheet detailing steps to take in companies to provide support systems for working parents. He also distributed a list of various companies and what they are doing, so that people at the workshop could contact companies similar to theirs and find out what might work best for them.

"Ten years ago," said Schlaff, "the movement was toward on-site centers," which met with tremendous employer resistance. "They labeled it and said no before in the boardroom. They then took the concept of employer-supported child care and put it on a shelf. We attempted to reach the decision makers in companies and said open up that file and dust it off and look at the changes in what's available to help working-parent employes.

"We find the CEOs are just not interested until it hits home," he said. Then he gave an example of a grandfather who had put his daughter through law school and wanted her to practice law but also wanted the best care for his grandson. Then the sitter left. Suddenly child care became of paramount importance to the CEO, and he willingly agreed to host one of the lunches for his peers.

"There are things your company can do that don't cost a quarter of a million dollars," said Schlaff. He urged the business people to consider having seminars for working parents to inform them about child-care tax credits and time management. He urged them to have seminars for supervisors so they would realize that a secretary who is given something to type at 5:30 in the evening may face $5 or $10 in penalty fines for picking up a child late at a center. He urged companies to examine their telephone and sick leave policies so that they are responsive to the child-care problems of working parents.

Wolf said he believes the private sector has to take the initiative to accommodate the dramatic change in the modern work force, and this is the message the White House Office on Private Initiatives has been taking to business. Unlike many women employes of corporations, they can get to the decision makers and they can educate them about the costs to the corporations of child-care problems. They are making the case in terms of reduced absenteeism and turnover and increased productivity. It is a language business people understand, and when they hear it from Wolf and the White House, they'll listen.

The Washington Post
Friday, August 3, 1984

JUDY MANN

CHILD CARE

Dr. Deanna Tate, chairman of the Child Development and Family Living Department at Texas Woman's University, has done cost-benefit analyses of three companies that had such detailed personnel data that she was able to determine the impact on productivity and profit of child-care assistance to employees. The results of her studies are striking arguments that this kind of employee benefit is good business.

A small textile manufacturing plant she analyzed had 87 employees, many of whom were women in low-skilled jobs. The turnover rate was running at the 40 percent level, in a community that had an unemployment rate of about 1.5 to 3 percent. The company paid $42,500 to buy and modify a nearby house and set up a child-care center. It budgeted $30,000 for ongoing costs, with the rest to be paid from parent fees. The center provided care for 36 children, and 26 percent of the employees used it.

The company calculated that it spent $1,000 to train a new production worker and $2,000 to train a new office worker. Turnover rate after the first year of operation dropped to 7 percent, and absenteeism went from 10 to 1 per cent. The company was able to reduce its payroll by 10 production workers and 5 office workers, saving salary and training costs of 15 employees, reducing its work space and lowering administrative costs for turnover and training. While it had four applicants for each position before the center was started, it had 20 afterward, with 90 percent of them saying it was because of the child-care center. "For every $1 spent, they yielded $6 in costs containment," Tate told a workshop on employer-sponsored child-care assistance held for businesses this week under the sponsorship of Rep. Frank Wolf (R-Va.)

Her cost-benefit analysis of a print shop that was considering child-care assistance for its 50 employees showed it would save $4 for every $1 invested. She projected that a hospital with 4,000 employees would save $3 for every $1 invested in a center.

Business interest in child-care assistance for employees is growing. Richard Schlaff of the White House Office for Private Initiatives told the workshop that the Conference Board in New York estimates that 1,100 companies are now participating in some kind of program, up from 600 last November. Programs range from flexible leave policies which, for example, allow parents to use their sick leave when their children are sick, to full-scale commitment to child-care assistance through on-site facilities.

In between are a variety of options. IBM, for example, has recently contracted with a Boston firm for a nationwide child-care and information referral system; banks in New York, Iowa, and Ohio have developed working parent seminars; Procter & Gamble and the American Can Co. offer employees flexible benefit plans with child care as an option; the Polaroid Corp. and the Ford Foundation in New York give financial assistance to their employees for child care, and other companies, including local broadcasting stations in D.C., have joined together to set up consortium centers, which are then operated by nonprofit boards of employees.

Financial assistance includes vendored care, under which employers contract for slots for their employees' children with an existing day care provider. Voucher care is a system in which the employer gives a voucher to his employe to pay for part of the child-care cost, the employe gives it to the provider who then returns it to the employer for payment.

All of these forms of direct financial assistance in day care can be deducted from the employers' taxes as ordinary business expenses, and they are not considered taxable income to the employees, if they are done under a written Dependent Care Assistance Program. This program, established under the 1981 Economic Recovery Act, also allows companies to assist their employees with care for elderly or disabled dependents. Dependent care can be anything from a housekeeper to a center. The employe may not count that assistance in computing child-care tax credits on individual tax returns, although whatever he or she pays to supplement the assistance can be counted.

There was one overriding message that Schlaff and Tate tried to drive home at the workshop: The benefit is cost-effective, but relatively new, and the first step companies should take is to get help from child-care professionals, just as they would get help from professionals in setting up insurance programs.

If child-care assistance is going to be offered as a benefit like health insurance, then it makes sense to treat it as one.

Washington Post
Friday, August 17, 1984

JUDY MANN

INVESTMENT

Rep. Ronald L. Wyden (D-Ore.) represents a district that he describes as having "a huge number of working parents," many of whom have two jobs and an enormous need for child care. The prestigious City Club of Portland became interested in the problem, conducted a study and found there were 60,000 children in the metropolitan Portland area who could benefit from a computerized child care referral system.

The club's report, which recommended that the city develop such a system, came to Wyden's attention and he approached private corporations to support it. He raised $20,000 from private sources so the city's Child Care Coordinating Council could buy a computer and begin providing information by telephone to parents about available day care services.

"The great difficulty is matching up parents with providers," says Wyden. "Essentially the communication techniques almost date back to the feudal days. You found out about [child care] through a church, or a friend or a bulletin board. We are not using modern technology."

"Say you live on Northeast 68th Street in Portland," explains Wyden. "You can call up and say, 'I have three kids, I can spend $250 a month on child care, I need something within such and such radius of my house,' and within 10 seconds they come back and say we have three programs available, and give you the names and the cost.

"What struck me," he says, "is for a very modest effort in the private sector, in which corporations gave $1,000 or $500, we were able to raise the $20,000 very quickly.

"This is a tremendous pocketbook issue for employers. What a lot of them saw is, gee, we better push for something like this. If we don't have adequate child care services in our community, it won't be long before every company is going to have to come up with something on its own. Even those who want to help say, 'Where in the world are we going to get the expertise?' I found when I started making calls they were very receptive."

Wyden is a cosponsor of a bill introduced by Rep. Barbara Mikulski (D-Md.) that would provide $8 million in federal funds to set up a computerized information and referral system run by community organizations throughout the country. The bill has passed the House but not the Senate.

Wyden may have hit on a formula for making such systems even more widely available than they could be with the $8 million in federal funds, by having local business supplement the federal funding. "Probably the two approaches complement each other," he says, "too, a modest contribution by government and help from the private sector."

The child care and information bill is one of two measures designed to ease American families' child care problems that stand a chance of passage in this session of Congress. The other is the School Facilities Child Care Act, which would provide funds for nonprofit community organizations to set up before- and after-school programs in schools and community centers so fewer school-age children with working parents would be in empty homes.

The bill that passed the House would provide $30 million over three years to start up and operate the centers. The bill pending in the Senate would provide $15 million for start-up costs, only. It is being sponsored by Sen. Donald Riegle (D-Mich.) and while it was reported out of the Senate Labor and Human Resources Committee, it is being opposed by the committee's chairman, Orrin Hatch (R-Utah). He and other New Right senators, as well as the Reagan administration, claim it constitutes federal intrusion into matters that should be left to states and localities.

An estimated 6 million school-age children are left alone for some part of the day while their parents work. Studies have shown them to be lonely, bored and frightened. Some have been needlessly hurt. A child in California died because he was left alone while his mother worked. Child care is not simply a state and local matter, it is a national problem that many states have not addressed.

"We cannot tap the federal budget for every domestic issue," said Hatch, speaking against the bill. "We must build partnerships across the country to use the variety of resources available."

In fact, both of these bills would help build those partnerships, between community organizations and schools and among child care providers, parents and businesses. The only thing the federal government would be doing is helping the partnerships get started.

It could not make a better investment.

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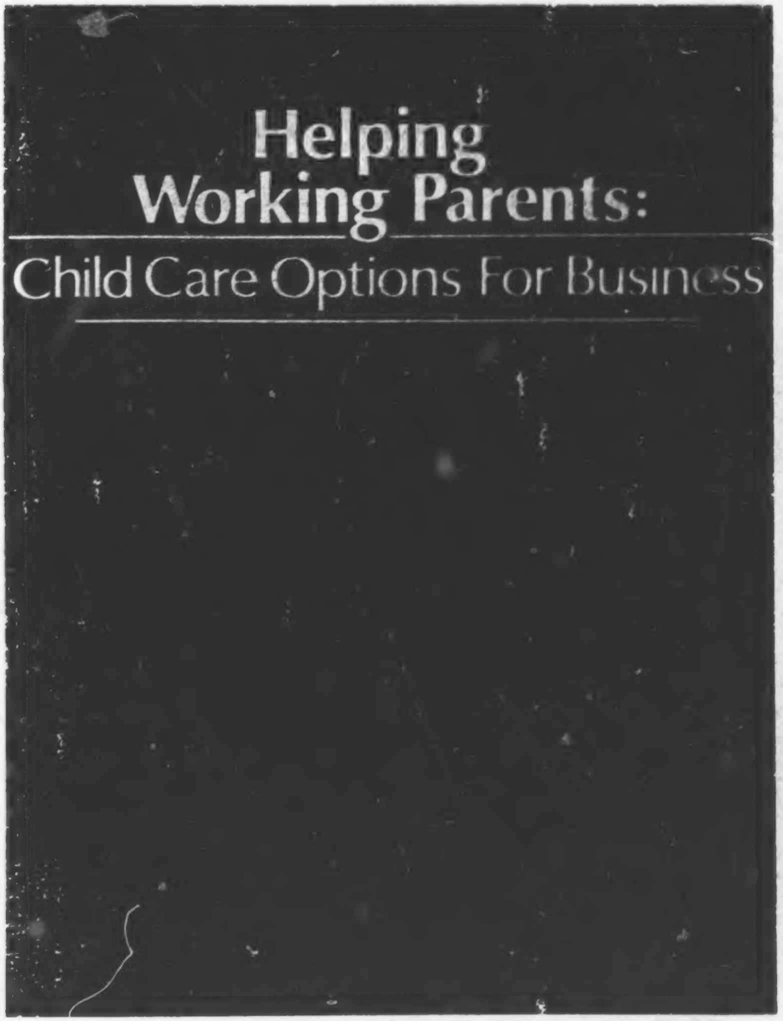


Helping Working Parents:

Child Care Options For Business

Many employers in North Carolina and across the country have adopted family-sensitive, family-supportive work policies. They have experimented successfully with company owned, operated or subsidized child day care, and with a variety of services, benefits and policies that help working parents.

In carefully reading the IRS code, these employers have learned that 100 percent of the cost of care for employees' children during working hours can be written off state and federal taxes as a deductible "ordinary and necessary business expense."

These employers understand the bottom line.

Seven different models of employee assistance are outlined here. The range of options can be grouped into two categories: (1) company owned, operated or subsidized child day care, and (2) employee assistance services, benefits and policies.

Classified in the first category are the following models:
- The Company-Owned, On-Site Model
- The Off-Site Consortium Model
- The Vendor Program
- The Voucher Program

Classified in the second category are:
- Referral: Matching Parents with Providers
- Sick Child Care
- Sensitive Personnel Policies

Following a description of each model is a list of existing settings, a discussion of benefits, problems, and federal and state tax incentives specific to the model.

It is not the intent of this publication to suggest which model is best. Rather, the individual company and its employees should weigh the relative merits of each approach and adopt the option or combination of options that will best satisfy their own needs.

Changes in the Labor Force

Employment is the key to economic well-being for families. The high cost of living and the increased costs of raising children have been important factors that have forced more American women into the labor force. Since 1940 in the United States, the number of working women has doubled. However, for the same period, the number of working mothers has increased TENFOLD.*

Eleven million more women will enter the U.S. labor force during the next decade and nearly half of the total female labor force population will have preschool children. By 1990 there will be over ten million American children who will need work-related child care.

North Carolina has a female labor force participation rate which is higher than any other Southern state and is among the highest in the nation. In 1975, 58.7 percent of this state's mothers with preschool children worked outside the home. The percent of working mothers with children under 18 was 65.3 percent.**

Corporate management, child care workers, employees, church members and researchers have become increasingly aware of these statistics. Parents who face the problem of meeting both job and family responsibilities have called on industry and government to help.

What Benefits Can a Company Expect?

In a 1977 *New York Times* article, the president of Stride-Rite said that he shuns the term "corporate social responsibility":

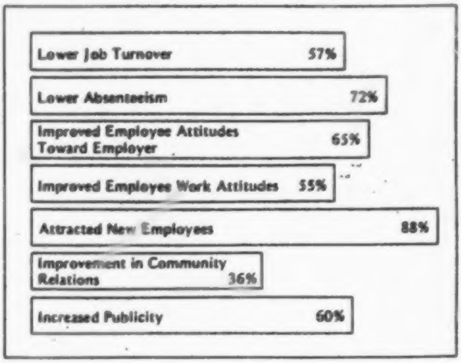
> "This shouldn't be construed as do-gooderism or tokenism because it's really self-serving. There's a need for corporate management to begin to appreciate the economics of something like quality day care. Fifteen percent of American households are below the poverty line and if business can get them contributing to the gross national product, business will benefit."

The chart below shows seven employer benefits identified in a 1978 survey of 58 organizations sponsoring day care programs.***

In North Carolina, company reports support these survey findings and indicate that provision of child care is indeed sound business practice. Recruitment of qualified nursing personnel became easier at three North Carolina hospitals which set up on-site day care facilities.

Participating companies report improved employee attitudes toward the employer and improved employee work attitudes. Parents are deeply appreciative of the help they receive in meeting the costs of work-related care, in locating appropriate care, in simplified commuting schedules, in more flexible work hours. They quickly translate their peace of mind into greater productivity on the job.

It is the employer who frequently bears the burden of the shortage of child care services in the community. Family demands often interfere with job performance. Tardiness, absenteeism and high turnover, with accompanying high training costs, are often the result of the scarcity of accessible, affordable child care. The company pays for the time an employee spends calling the babysitter, worrying about the children after school, in the summer, and on school holidays. Clearly, the benefits of company-assisted programs are many and varied.



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* Working Mothers and Their Children, 1977, U.S.D.O.L., Employment Standards Administration, Women's Bureau
** U.S. Bureau of Labor Statistics, from SIE, 1976
*** Perry, K.S. Survey and Analysis of Employer-Sponsored Day Care in the United States, Doctoral Dissertation,

Company Owned, Operated, and Subsidized Programs

1. The Company Owned, On-Site Model

Operation of a day care center represents an employer's maximum involvement in day care. Located at or near the work site, the facility may be operated as a division of the parent company, a subsidiary corporation or an independent nonprofit corporation. Financial support may include start-up costs, operating expenses, including administrative and maintenance costs, and subsidies for tuition. The employer may hire professional staff or sub-contract with a child care management firm. As with a company cafeteria, the day care service may be partially subsidized rather than a free program for employees.

Existing Settings

Rex Hospital, Raleigh, North Carolina

Presbyterian Hospital, Charlotte, North Carolina

Forsyth Memorial Child Care Center, Winston-Salem, North Carolina

Photo Corporation of America, Matthews, North Carolina

Playworld Child Development Center, Performance Hosiery Mills, Hildebrand, North Carolina

Stride-Rite, Boston, Massachusetts

Benefits

- Reduces absenteeism, tardiness, turnover, and training costs
- Improves worker morale
- Helps the company develop good public relations
- Helps the company recruit employees
- Properly operated, can provide high quality care at a reasonable cost
- Provides employees greater access to their children and day care teachers

2. The Off-Site Consortium Model

A group of employers may decide to share the costs and the risks of establishing a day care center. The off-site location might be centrally located either near the worksite, in a downtown business district or industrial park, or it may be located in a neighborhood in which many of the employees and their families live. The companies provide seed money for initial construction or rehabilitation of a day care facility and may offer employer assistance through representation on board of directors and through assistance in such areas as management, budget, personnel practice, fiscal analysis and legal services. Employer support may underwrite operating costs of the center and partial subsidy of tuition costs for children of employees.

Existing Settings

Control Data/Pillsbury/North States Power/Lutheran Brotherhood, Minneapolis, Minnesota

Mercy Medical Hospital/Anoka Ramsey Community College, Coon River, Michigan

Downtown Day Care Center (consortium of 14 businesses), St. Louis, Missouri

Urban Affairs Corporation Centers (consortium of 14 businesses), Houston, Texas

Benefits

- Increases availability of resources for developing a quality day care program
- Spreads costs among member employees
- Is less susceptible to underutilization because it draws children from a broader base
- Company not responsible for administration or liability
- Subsidizes tuition costs of children of low-income employees; can serve as a match to draw federal dollars on a matching basis (ratio is 25 percent private to 75 percent Title XX dollars)

Problems/Considerations

Employers considering establishment of work site centers must weigh these benefits against questions of cost and utilization. The success rate of on-site centers established by industry between 1960 and 1974 has not been encouraging. Of 13 company-operated or supported centers identified in a 1973 U.S. Women's Bureau publication, only two remain. One has shifted to a consortium model. Company executives cited the following reasons for center closings:

Company went out of business or moved	36%	(5)
Underutilization by employees (resulting in higher costs)	29%	(4)
Too expensive	7%	(1)
Recession	7%	(1)
	100%	(11)

Underutilization by employees may be explained by parental preference for residential centers, a factor that Columbia University researcher Dr. Sheila Kamerman has identified as a key variable in industrialized countries.

The reader should not conclude, however, that the on-site day care center model has failed. In some instances – hospitals and factories with large numbers of female employees – on-site centers have been remarkably successful.

Tax Incentives

On-site day care involves capital expenditures which are not themselves tax deductible but can be depreciated or amortized. Generally, amortization permits a more rapid write-off but has limited applicability if the property is not solely used for day care purposes. In summary, federal tax law permits cost to be deducted as a business expense (Amended Internal Revenue Codes 162). Costs of acquiring, constructing and rehabilitating property and purchase of equipment can be deducted over a five-year period (Revenue Act of 1971 and Tax Reduction Act of 1975).

Problems/Considerations

- Requires full commitment and cooperation of all member companies in order to work
- May serve more community children than children of employees
- May be underenrolled because of parent preference for residential location
- Setting may have an "institutional quality"

Tax Incentives

The consortium model requires the employers to coordinate their efforts through establishment of (1) a nonprofit corporation, (2) a corporation for profit or partnership, or (3) a tax exempt organization. No tax benefits can be realized by "stockholder" members of a consortium that form a corporation since the cost of the stock is not considered a business expense or a depreciable capital expenditure. A partnership, on the other hand, can "pass through" all of its gross income, business deductions and annual depreciation to the employer-partners. Another approach that companies have used is the tax exempt organization. Any contributions to such an organization are tax free; if the day care center should make a profit, the profit would be tax free. The problem with this approach is that enrollment in the day care facility cannot be limited to children of the employees but must also be open to needy children from the community.

3. The Vendor Program

Another type of employer assistance, the vendor program, involves the purchase by the employer of a number of enrollment spaces or "slots" in one or more day care centers or homes and the subsequent resale of the spaces to employees at a reduced price. The employer may subsidize the day care cost based on the income and/or family size of the employee. This is usually referred to as a "sliding fee scale."

Existing Settings

Orlando County Community Coordinated Child Care, Orlando, Florida
Polaroid Corporation, Cambridge, Massachusetts

Benefits

- Subsidizes tuition costs of employees' children
- Can provide quality care at an affordable price for children of employees
- Does not require capital investment or start-up costs
- Does not require management or administrative responsibility
- Protects company from potential liability
- Is ideal for small companies with relatively few employees

Problems/Considerations

- If limited to a few day care programs, may not meet the needs of some families and some children
- Is less visible to the public
- May result in rewarding a few private operators and ignoring some worthy operations
- May need to reserve and guarantee payment for spaces a year ahead

4. The Voucher Program

Another creative alternative for assisting working parents is the voucher system. The voucher refers to a coupon given to the employee worth a specified amount towards the purchase of day care from any provider of service. The employer may either fully fund the day care cost or subsidize the day care cost based on the income and/or family size of the employee.

Only tuition costs are involved in this model. This program gives the full responsibility for choosing the child care arrangement to the parent. A modification of this idea used by the Ford Foundation simply increases the size of the employee's paycheck to cover the cost of day care expenses. Perhaps the term "children's allowance" is more appropriate than "voucher program" in this case.

Existing Settings

Polaroid Corporation, Cambridge, Massachusetts
Ford Foundation, New York, New York

Benefits

- Respects parent choice of day care arrangement
- Recognizes parent preference for residential setting closer to home
- Offers flexibility to employees who do not live near the worksite, who travel on public transportation, or who have very young children
- Helps parents meet rising costs of day care
- Can provide convenient day care at an affordable price
- Is useful to the employer with many small business locations scattered over a large area
- Does not require capital investment or start-up costs
- Does not require management responsibility
- Protects company from potential liability

Tax Incentives

Costs of providing day care are deductible as business expenses to the extent that they are "ordinary and necessary" expenses paid or incurred during the taxable year in carrying on any trade or business (Revenue Ruling 73-348, 1973-2 C.B. 31 under Section 162 of the Internal Revenue Code of 1954). In the cited ruling, the stated purpose of the taxpayer is to make day care available in order to (1) provide an employee with a place to send his or her children while at work knowing that the child is receiving proper care, (2) reduce absenteeism, increase productivity and reduce company training costs, and (3) reduce employee turnover.

"There is no limit on amounts you may deduct as business expenses other than that they be reasonable." (IRS Publication 535)

It is unlikely that child care for employees' children could be deductible as a charitable expense. However, if the employee usage is low enough, the employee may have an argument that child care is provided as a community service. Of course the employer could take advantage of the tax incentives in the previous section if he also buys day care for needy children not associated with his company.

Problems/Considerations

- Day care may not be available, accessible, and in ample supply
- Day care may not be available at hours that match employees' work schedules
- Voucher system requires some paperwork to be done by the company
- A sliding fee schedule based on income or family size will require additional administrative costs
- Employees must declare the value of the voucher or the child allowance as includible in gross income that is taxable by the federal government.

Tax Incentives

Although the employee must now declare the voucher as income, he can deduct child care expenses on state and federal taxes.

As with the vendor program, the voucher model provides the employer with an annual deduction for the entire cost of operation.

Employee Assistance Services, Benefits and Policies

1. Referral: Matching Parents with Providers

The most pressing problem for working families today may be finding and selecting child care close to home with hours that match their working hours. Parents of infants find services scarce or non-existent. Parents of young handicapped children are extremely hard-pressed to find services. Summer, vacation days and after-school care are especially problematic for parents of school-age children.

A 1979 survey estimated that there are 6,390 organizations in the U.S. providing child care information and referral services. Some child care referral operations are store-front agencies affiliated with some larger organization such as YMCA or United Way but functioning independently. In some communities, several organizations pool their resources to operate a telephone answering service that gives parents information about child care providers. Of the larger general information and referral services surveyed, 47.6 percent received some funding from industry. A company may contribute to or contract with a local referral agency, join a consortium of companies that jointly underwrite administrative costs or develop an in-house capacity.

Activities involved in this model include securing and developing lists of day care providers, updating those lists, gathering specific information about each child care arrangement, printing and publishing this information in map and brochure form, answering consumer questions received by letter, telephone, and/or in person. Information may include: sources of financial assistance for child care, tax information guidelines for selecting a child care arrangement and even "provider packets" for those who would like to open a day care center or provide care in their own home. Additional services include tours of child care centers and mobile toy lending library visits to centers and family day care homes.

2. Sick Child Care

The average child in America experiences 10 days of illness each year, illness which may force the parent to either stay home from work, be late for work, or go to work feeling guilty and worried. Some companies allow parents leave days to care for sick children. Other companies allow the employee a certain number of "personal leave days" to be used as the employee sees fit.

Still other companies have supported projects that provide short-term home health care for sick children of working parents. For example, the Berkeley Sick Child Care Program sends a nurse's aid to the home to care for the sick child, freeing the parents to go to work. An added service in the Berkeley project is the "Wheezles and Sneezles Day Care Center," a short-term day care service for children who are just getting over illness, on medication, but not yet ready to return to school or regular day care.

Existing Settings

Child Care Services, Inc., Minneapolis, Minnesota

Berkeley Sick Child Care and Wheezles and Sneezles Center, Berkeley, California

Existing Settings

Duke University, Personnel Department, Durham, North Carolina
United Day Care Services, Greensboro, North Carolina
Durham Day Care Council, Totline, Durham, North Carolina
Child Care Resource Center, Cambridge, Massachusetts
Childcare Switchboard, San Francisco, California
Fairfax County Office for Children, (Fairfax Realtors), Fairfax, Virginia

Benefits

- Makes existing day care services more accessible to families
- Satisfies particular child care problems of employees
- Respects the employee's right to choose a suitable arrangement
- Is a good, visible public relations effort
- May improve quality of day care for employees' children
- May stimulate day care in communities where demand is greater than supply
- Attracts resources from other companies, public and private agencies
- Spreads costs among participating organizations

Problems/Considerations

- May lead to requests for additional services and projects
- If the referral is a consortium project, requires full commitment and cooperation of all members to work
- May serve more community children than children of employees

Tax Incentives

The cost of information and referral service for employees is considered a business deduction from state and federal taxes. Should a consortium be formed and a tax exempt nonprofit organization be established, the contribution could be considered a charitable deduction.

Benefits

- Especially helpful in reducing absenteeism and tardiness
- Improves employee work attitudes
- Reduces stress, worry and guilt associated with inappropriate care arrangements

Problems/Considerations

- Requires cooperation and coordination with other private organizations and public agencies
- May serve more community children than children of employees
- Requires trained personnel
- May be underutilized, especially in small communities

Tax Incentives

The cost of sick child care for employees' children is considered a business deduction from state and federal taxes. Should a consortium be formed and a tax exempt nonprofit organization be established, the contribution could be considered a charitable deduction.

3. Sensitive Personnel Policies

A number of employers have experimented with new personnel policies that are sensitive and responsive to the needs of working parents. Alternative work scheduling is the most popular of these approaches. Most frequently cited variations are:

- Compressed time – full-time work with more hours per day but fewer days per week
- Staggered hours – flexible regular schedule of starting and stopping times based on employee's choice
- Flextime – flexible daily starting and stopping times based on employee's choice
- Regular part-time – part-day, part-week, part-month or part-year, often involving prorated pay and benefits
- Job pairing – two or more people jointly responsible for completion of a full-time job
- Variable working hours – employee contracts for a given block of work and has the option of choosing hours to complete the work
- Task contracting – employee is responsible for completion of a given task and need not specify the number of hours or the particular hours worked

In addition to the flexible work scheduling, other personnel policies help working parents reconcile work and family responsibilities. Most prevalent of these policies is the employee assistance program, which offers counseling and support for workers experiencing family problems. Many companies offer alcoholism counseling. Other policies include extension of sick leave to cover serious illness of a child, reduced use of frequent transfers within the corporate network, and more extensive maternity or paternity leave policies. Finally, some businesses have adopted a fringe benefit package that is called the "cafeteria plan," which allows employees to choose which benefits best meet their own needs.

Existing Settings

IBM, Research Triangle Park, North Carolina
Levi Strauss Corporation, Greensboro, North Carolina
Control Data, Minneapolis, Minnesota
Equitable Life Insurance, New York, New York
Honeywell, Minneapolis, Minnesota

Benefits

- Alternative work scheduling reduces company's overtime expenditures
- Stabilizes safety, turnover and absenteeism levels
- Provides opportunity for part-time people to work full-time
- Provides opportunity for mothers of school-age children to work and care for children
- Provides work opportunity for students who need an income in order to stay in school

Problems/Considerations

- Difficulties in supervising large groups of employees who work at different times
- Difficulties in administering lost-time pay policies
- Difficulties for employees in arranging car-pooling
- Possibility of abuse by some employees
- Possibility of the benefit being taxable as part of gross income

Tax Incentives

Costs of employee benefits are, of course, deductible from state and federal taxes as ordinary and necessary business expenses. Another possible way for an employer to help employees and their families would be to set up a voluntary employees' beneficiary association. Internal Revenue Code Section 501(c)(9) recognizes that a voluntary employees' beneficiary association that provides benefits to workers and their families is exempt from taxation.

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Remarks by Congressman Frank Wolf

July 30, 1984

Welcome

I would like to welcome you to this briefing on an issue which is so important to this nation's economic productivity and the quality of life of many families today.

Introductions

Before I proceed further in explaining my interest in this issue, I want to recognize and thank the members of my child care advisory council composed of day care providers, business representatives and working parents who have provided invaluable guidance and assistance in this effort: Please stand as I call your name: Jeanine Hanson, the chairwoman of the council whom you'll hear more from later; Frances Batchelder, Kathleen Buck, Jean Cooper, Mildred Frazer, Donna Givens, Elizabeth Hazel, Feliza Kepler, Bill Lucas, Judi Rosen, Pat Rowland, Betty Rupert, Richard Schlaff, and Ellen Tuyahov[pronounced Tievahov]. I sincerely appreciate your time, effort and counsel.

Background

From my discussions with day care providers, employers, parents and in my congressional work on the House Select Committee on Children, Youth and Families, I have learned of the growing number of households with working parents or single parents and the impact this trend is having on employers and families. Also in my work on the House families committee, I became acquainted with the White House Office of Private Sector Initiatives and its program which brings the business and child care provider communities together to share information on changes in child care demands and opportunities provided by those changes for businesses to assist working parents through tax, productivity and other advantages.

Following my review of this program, I began working with the committee you've met to develop an informational program regarding these advantages for northern Virginia employers. The first phase of this program was a breakfast briefing in early June with area business leaders hosted by the BDM International Corporation to gauge the interest in this subject. The response was overwhelming, and underscored the interest in northern Virginia in providing child care opportunities in concert with employers. My child care advisory council then worked to develop this evening's program and the half-day informational briefing to be held tomorrow for employers.

Trend for Working Parents to Continue

As day care providers, you undoubtedly are aware of the changing complexion of the Washington area workforce and it is clear that the growing number of households with working parents or single parents is having a major impact on local employers and families and that this trend can be expected to continue in the future. For example, in 1970, only 21 percent of women with children under age 6 and 50 percent of women with school age children were employed. The House Select Committee on Children, Youth, and Families predicts that nationally by 1990, 55 percent of married women and 50 percent of mothers with children under age 6 will be employed -- an 80 percent increase since 1970.

Needs of Families Must Be Addressed

This evidence substantiates the fact that as women and single parents become a major force in the workplace, their needs, the needs of their families and particularly the needs of their children must be addressed. For employers seeking to recruit and retain top

QUALITY PERSONNEL, THE ABILITY TO PROVIDE GOOD EMPLOYEE BENEFITS IS ESSENTIAL. AS EMPLOYERS RECOGNIZE THAT CHILD CARE IS A BENEFIT OPTION WHICH CAN BE CRUCIAL TO THE PRODUCTIVITY OF THEIR BUSINESS OR ORGANIZATION, THE OPPORTUNITIES FOR YOU AS CHILD CARE PROVIDERS WILL ALSO INCREASE.

BEST INVESTMENT FROM EMPLOYER'S STANDPOINT

THE MAGNITUDE OF THE SITUATION DEMANDS THAT WE CONSIDER ALL METHODS WHICH WILL PROVIDE THE BEST INVESTMENT FROM THE EMPLOYER'S STANDPOINT, WHILE ALSO MEETING THE NEEDS OF THE EMPLOYEE AND THE EMPLOYEE'S FAMILY.

GOVERNMENT AND PRIVATE SECTOR MUST WORK TOGETHER

AS MANY OF YOU MAY KNOW, I AM NOT A PERSON WHO BELIEVES THAT THE BEST SOLUTION TO MOST PROBLEMS IS ANOTHER FEDERAL PROGRAM. HOWEVER, I DO BELIEVE THAT MANY WORTHWHILE GOALS CAN BE ACHIEVED BY GOVERNMENT AND THE PRIVATE SECTOR WORKING TOGETHER.

IN STUDYING THE CURRENT WORKFORCE TRENDS AND LEARNING OF THE IMPORTANT TAX AND PRODUCTIVITY ADVANTAGES AVAILABLE TO EMPLOYERS TO HELP WORKING PARENTS, I HAVE ALSO RECOGNIZED THAT THE SUCCESS OF THESE BUSINESS OPTIONS WILL REST ON THE EFFORTS OF THE CHILD CARE PROVIDER COMMUNITY IN ESTABLISHING ATTRACTIVE PLANS TO FACILITATE THE INVOLVEMENT OF EMPLOYERS IN HELPING WORKING PARENTS.

THERE ARE MANY OPTIONS AND ALTERNATIVES AVAILABLE AND I AM VERY PLEASED THAT WE HAVE WITH US THIS EVENING AN EXPERT IN THIS FIELD TO SPEAK ABOUT THIS PARTNERSHIP APPROACH TO HELP WORKING PARENTS THROUGH THE COOPERATION OF EMPLOYERS WITH THE PROVIDER COMMUNITY.

Dr. Deanna Tate of the Texas Woman's University has conducted extensive research on the benefits for businesses in enacting day care and work options. Dr. Tate has worked with businesses in Texas to study options for establishing corporate day care benefits with local day care providers and will share findings of her research. She also was well received as the main speaker at our breakfast briefing in June which generated our follow-up program tonight and tomorrow.

Most importantly, I appreciate your coming tonight. I hope from this we can put together some new opportunities for working parents, employers and providers to help each other. Now, I'll turn the program over to Dr. Tate.

Child Care Licensing Position of the National Association for the Education of Young Children

Rationale

Findings from the 1980 census show that more than 50 percent of mothers of young children in the United States are employed outside the home. Therefore an increasing number of parents are seeking child care settings within their communities which will nurture, protect, and educate their children. Child care licensing is an official acknowledgement of the public responsibility to maintain healthy, safe, and developmentally appropriate conditions for children during the time they spend in child care. Licensing is a form of consumer protection for children and their parents.

Child care is provided in a variety of settings reflecting the diverse needs of today's families. These settings can be grouped into three major categories—center care, group home care, and family day care. In most states, centers usually provide care for 12 or more children, group homes for 7 to 12 children, and family day care homes for 6 or fewer children. States without group home care provisions generally define centers as settings for the care of 7 or more children.

Each of these settings may provide care for infants, toddlers, preschool children, school-age children, and/or children with special needs. All three types of settings may provide full-day or part-day care on either a regular or flexible basis. Standards are needed for all three types of care to ensure that children are protected and educated in a nurturing environment.

The goal of child care licensing should be to assure a level of good quality care while taking into account the different types of settings and the numbers of children served in each. Agencies charged with enforcing licensing standards should be publicly visible so that individuals caring for children know about them and can seek technical assistance from them. The standards represented in the licensing statutes should be widely disseminated so that parents will be in a better position to locate and monitor licensed child care settings. In addition to licensing statutes, health, building, and fire safety codes must also be met. The inspection, monitoring, and enforcement of all applicable statutes should be coordinated to ensure that personnel and fiscal resources are wisely used.

Position

The National Association for the Education of Young Children affirms the importance of child care licensing as a vehicle for controlling the quality of care for children in settings outside their own homes. NAEYC supports licensing standards that:

- take into account the nature of the child care setting and the number of children to be served
- set standards for centers, group homes, and family homes
- include care of children from infancy through school age

- cover full-time, part-time, and drop-in care arrangements
- include facilities serving children with disabilities
- reflect current research demonstrating the relationship between the quality of care provided and such factors as group size, staff/child ratio, and staff knowledge and training in early childhood education or child development
- are clearly written, enforceable, and vigorously enforced
- are administered by agencies which are known about and accessible to parents and the individuals providing care for children
- include written policies describing processes for initial licensing, renewal inspections, revocation, and appeals.

Because licensing requirements stipulate the basic necessary conditions for protecting children's well being, NAEYC firmly believes that all forms of supplementary care of young children should be licensed and that exemptions from licensing standards should not be permitted. Whenever a single program or group of programs is exempted or given special treatment, the entire fabric of licensing is weakened.

It is a public responsibility to ensure that child care programs promote optimal development in a safe and healthy environment. All parents who need child care have the right to choose from settings which will protect and educate their children in a nurturing environment.

Passed by the NAEYC Governing Board
November 2, 1983

naeyc

onal Association for the Education of Young Children 1834 Connecticut Avenue, N.W., Washington, D.C. 20009 (202) 232-8777 800-424-2460

I, VV

__Here are a few thoughts on the licensing issue:__

What is the relationship between NAEYC's accreditation system and state licensing standards for early childhood programs?

NAEYC's accreditation system will not replace state licensing of early childhood programs. NAEYC supports the concept of licensing as a means to ensure the maintenance of minimum standards of quality in all programs (see NAEYC's position statement on licensing). Licensing is a prerequisite to participation in the accreditation system. One of the Criteria states: "The center is licensed or accredited by the appropriate local/state agencies. If exempt from licensing, the center demonstrates compliance with its own state regulations for child care centers subject to licensing."

State licensing standards vary enormously and are always changing. Some states' standards truly provide a minimal level of protection while others reflect a higher level of quality programming. In developing a national accreditation system, NAEYC was aware of the need to establish Criteria that represent high quality programs, while at the same time, it was important not to set standards so far above licensing requirements that no programs could meet them. State licensing standards were examined in developing NAEYC's accreditation system and such an examination reveals that NAEYC's Criteria reflect a level of quality above that required by the majority of states.